



for CONSTRUCTION

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# NEWS SUMMARY

GENERAL

# Franians **name** envoys' liaison

iran has appointed Mr. Sadegh Qothzadeh, Foreign Minister, to liaise between the Revolutionary Council and the student captors of the U.S. Embassy staff in

Ayatollah Beheshti, secretary-general of the Revolutionary Council, said the hostages were expected to be released after an international tribunal, even if convicted of espionage.

The news agency Pars reported that Iraqi forces with mortars and heavy artillery had attacked a border post in the Kurdish region.

### **Heathrow crash**

A Pan American Boeing 747 freighter from New York crashlanded at Heathrow Airport, London, late last night, caught fire and blocked a runway.

### Floods kill two

Two people died in Merthyr Tydfil when storms caused flood-ing. South Wales was described as a disaster area; a helicopter rescued eight seamen from a tug off the Lizard as near hurricane-force winds swept the Cornwall and Devon coasts; and in Cumbria an average week's rainfall fell in

### Esso petrol up

that will lead to a rise of about 4p a gailon at the pumps. Back Page

### Paris cash talks France's National Assembly met

to decide what to do now that the constitutional council has ruled illegal the procedures for adopting the 1980 Budget. Back Page; Editorial comment

### B-test campaign Hundreds of drivers may lose

their licences as a result of the big police eampaign against drink-driving over Christmas. The campaign is to continue into the New Year.

### Rates threat

Some ratepayers might pay up where if the Government introduces a "uniform rate in the pound," the Association of Metropolitan Authorities said.

### Bargain hunt

Post-Christmas sales started briskly although retailers said weather had deterred some shoppers Page 4

# 'islamic N-bomb'

Pakistan has reported to Iran and Saudi Arabia that produc-tion is advanced on an "Islamic nuclear bomb," a Kuwaiti newspaper said.

### Indians riot

Riots broke out in southern India as campaigning intensified before next week's general election. In one town, police used tear gas and demonstrators burned down 13 houses and shops and an oil mill.

### Paws thawed

A collie found frozen into the Leeds-Liverpool canal at Armley on Christmas Day was still being thawed out, but was re-

### covering well.

Briefly . . . Two skiers died in an avalanche at Aosia, Italy, but three were

Thirteen people died and 17 £676,000. Page 12 Were hurt in a train crash in Mali, West Africa.

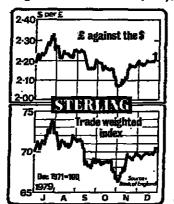
Maria de Lourdes Pintasilga formally resigned as Portuguese Prime Minister.

France's 1979 wine output is (£95.3m) from an estimated the largest since records began Y23bn the previous year. Page in 1907 and quality is good.

### BUSINESS

# £ gains $3.27\frac{1}{2}c;$ **Golds** up 14.2

• STERLING rose 3.271 cents to \$2.2400, its highest since mid-September, and its trade-weighted index was 70.5 (69.8).



DOLLAR fell to DM 1.7165 (DM 1.7300), but its tradeweighted index was unchanged at 85.1.

● GOLD closed \$23½ up in London at \$511.

● EQUITIES drifted lower, and the FT 30-share index fell 2.8 to 414.7. But GOLDS followed the rise in bullion and the Gold Mines index closed 14.2 up at 276.4, its highest since September 1975.

© GILTS attracted little business, and the Government Securities index fell 0.02 to

Esso announced price increases • WALL STREET was 1.45 up

at 839.59 near the close-● BRAZIL may need \$15bn in new foreign loans next year, Finance Minister Karlos Risch-

O KLEINWORT Beason, the its 40 per cent stake in Klein-wort Benson McCowan, the New York fund management company it bought into three years

bieter said. Back Page

### UK recession may be short

@ RECESSION in the UK will be shorter and shallower than in the mid-1970s, with Gross Domestic Product in 1980 down 1.4 per cent from this year, and an upturn in 1981, leading fore-casters believe. Back Page and Page 4; Economic forecasts abroad, Page 2

BL's agreement with Honda for the UK group to produce a car designed by the Japanese company could open the way for further collaboration, BL chairman Sir Michael Edwardes said. Back Page; Editorial comment

• MANY COMPANIES in the UK are using the lifting of exchange controls to lower their overseas debt rather than step up foreign exchange operations

 INVESTMENT by manufacturing companies in Scotland is declining sharply, according to a survey by the Scottish Council for Development and Industry.

● CBI is about to launch the Business Attitudes Guide with information about industrial and social trends. Page 4

● FIVE ships of over 200,000 dwt have been lost this yearalmost as many as in the previous 10 years. Page 4

### COMPANIES

• VECTIS STONE Group, the building products and services and fuel distribution group, raised pre-tax profits for the year from £539,000 to a record

MATSUSHITA Electrical Industrial of Japan plans to more than double its capital outlays for plant and equipment in the 1980 business year to Y50bn

### CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwis	e indicated)
RISES	FALLS
Excheq. 124pc '85£91\(\begin{array}{cccccccccccccccccccccccccccccccccccc	Allied Colloids 133 - 3 Babcock and Wilcox 104 - 4
Marlborough Prop. 33 + 24	ERF 92 - 3
Nichols (Vimto) 275 + 5 Sothebys 403 + 10	Grattan Warehouses 106 - 4
Weeks Petroleum 345 + 10	HTV N/V 97 - 5 1Cl 356 - 4
Anglo American 585 + 45 Cons. Gold Fields 381 + 11	Lloyds Bank 304 - 4
East Rand Prop£111 + 12	Metal Box 234 - 6 Tate and Lyle 145 - 4
FS Geduld£192 + 1 Gld. Mos. Kalgoorlie 181 + 11	Taylor Woodrow 324 - 8
Minorco	Thorn Elec 278 - 6 CCP North Sea 314 - 8
Western Hidgs£244 + 2	Siebens (UK) 398 - 10

# Death of guerrilla leader blow to Rhodesia ceasefire

BY QUENTIN PEEL AND MARK WEBSTER IN SALISBURY

guerrilla force in the country vas killed in a car accident in Mozambique, and a British ceasefire monitoring helicopter crashed killing its crew of

No. 28,053

The death of General Josiah Tongogara, supreme military commander of Zanla, the military wing of Mr. Robert Mugabe's Zimbabwe African National Union, is likely to be a serious blow to the guerrillas command structure and to the ability of their commanders to enforce their side of the ceasefire, due to start today.

General Tongogara was regarded as the leading military negotiator for the Patriotic Front guerrilla alliance at the Lancaster House peace conference on Rhodesia. British officials said yesterday that he was "a key figure in both the political and military affairs of ZANU" and expressed their regret at his death.

He was reported killed in an

backs yesterday when it was tary commanders were being announced that the military briefed at Government House copter, flying to pick up water commander of the largest yesterday on their role in the pumps for a guerrilla assembly ceasefire operation.

He had been undisputed head of the armed forces since 1972. There was no evidence of his But he was seen as more of the Patriotic Front. at a time when the party is bitterly debating whether to maintain its In spite of the alliance with Mr. Nkomo during the forthcoming election.

the poll. They are worried that the Shona tribe.

Salisbury when it crashed 100 accident on the way to his miles to the north-east near the John Acland, his military com-guerrilla headquarters at town of Mtoko. A military mander, have admitted that they Chimoio, Mozambique. News of official said there was no do not expect a total ceasefire.

THE Rhodesian ceasefire opera- his beath on Boxing Day evidence to suggest that the tion received two serious set- reached Salisbury as his mili- helicopter had been shot down. British officials said the helipoint in the area, bit a tele-graph pole and either over-turned or somersaulted, burst-

There was no evidence of his ing into flames on impact. A death having been deliberate. full RAF inquiry is to be held. In a separate incident, an RAF Hercules transporter was sympathetic than other ZANU RAF Hercules transporter was leaders towards Mr. Joshua hit by a bullet when flying a Nkomo, leader of the other wing ceasefire monitoring group to an assembly point near Umtali, but

In spite of the shooting and the accident, the commanders of the Commonwealth monitor-There is no doubt that Mr. ing force are determined to Nkomo's Zimbabwe African press ahead with the deployment of their men to more than 100 locations. They have to be serve the alliance. But many 100 locations. They have to be ZANU cadres, especially within in position by midnight tonight Rhodesia, believe the association when the ceasefire is supposed tion would lose them votes at to come into force. However, the Rhodesian

their alliance with the rival security forces reported a Ndebele-dominated ZAPU party further 15 deaths in the will lose them support among guerrilla war yesterday — including 11 guerrillas, an The Puma helicopter in which auxiliary constable, and a 71three Royal Air Force men died year-old white civilian. Both was on a routine flight from Lord Soames, the Rhodesian Governor, and Major-General

# Bristol site for £24m

The curious feature about yesterday's announcement is that Inmos' intention to build its first plant comes before there has been any official indication that Sir Keith Joseph, the Industry Secretary, has sanctioned the investment. Yet Professor

pany which is backed by the Industry Department spokesman

producing advanced memory a development area, will be chips by 1982, will create em-ployment for around 1,000 a larger unit than the first and will cost around £40m. Professor required to finance the second plant would come from profits early operations.

The two other areas on the short list of three which has been under consideration some months were South Wales and Tyne and Wear. Last night Mr. Michael Campbell, leader Ian Barron, Inmos' executive of the Tyne and Wear Council, director, said the second tranche which had put up a package worth around £100,000 to Inmos, said the decision was "nothing less than a severe kick in the However, it appears that teeth" to development areas. No private investment has yet gone into Inmos, whose voting

shares are 70 per cent owned

by the NEB, with the remainder

Professor Barron said, how-

company "reached maturity in several years time. The company has spent some £8m of the first tranche of £25m, much of which has been spent on the company's main develop-

News Analysis Page 4

Editorial comment Page 10

# Inmos microchip plant

BY JOHN LLOYD

INMOS, the semiconductor com- second tranche be paid. An split between the three four in Bristol, at a cost of around as night follows day."

The company's headquarters and UK technology centre is already established in Bristol.

of £25m, which awaits Sir Keith's decision, would be required for the plant.

Inmos is secure in the knowledge that the Government will back the new NEB board, which recommended that the

National Enterprise Board, is to said last night that Government Paul Schroeder and Professor site its first UK production plant approval would "seem to follow Barron—and the existing staff.

A second plant, which will, ever, that the aim was to attract
The unit, planned to begin unlike the first, be situated in private investment when the

ment centre, in Colorado Springs, in the U.S. The U.S. development centre is currently designing a 16,000 digit static random access memory chip, and a 64,000 digit dynamic random access memory, which will go into volume production in the first UK plant.

Professor Barron said around £16m will be invested in the operations, representing around one quarter of total initial investment. Some 70 staff are now employed in the U.S., with a further 60 in the Bristol headquarters.

# Highland to fight £80m bid

BY JOHN MOORE

DIRECTORS Grouse brand, meet today to plan their campaign to resist an £80m takeover bid by Hiram Walker-Gooderham and Worts of Canada.

Hiram yesterday sent its formal offer document to Highland shareholders detailing its 130p per share cash offer. On the London stockmarket

Highland's shares fell 1p to The bid was first unveiled at the beginning of December and prompted Highland to comment

be in the interests of Highland

ÜK

of Highland was unchanged vesterday as Mr. to invest a further £30m, prin-Distilleries, the scotch whisky John Macphail, the chairman, group with its The Famous said: "We do not welcome the offer in the least. It will be fought vigorously."

Mr. Donald Dewar, the Labour MP for Glasgow Garscadden, has urged that the bid by the Canadian group should be referred to the Monopolies Commission, because the deal would not give a "whit of advantage" to workers in the industry or to consumers.

In its formal offer document Hiram says that it has a long standing position in the Scotch industry. .It first invested in Scotland nearly half that "such an offer would not a century ago.

be in the interests of Highland Hiram has just begun a new

cipally for increased bottling capacity.

Explaining the reasons for its offer Hiram says that an association with The Famous Grouse brand will strengthen its foothold in the important UK market

Hiram is known for brands such as Ballantine's, Old Smuggler, Grand MacNish and Ambassador. It owns Canadian Club, Courvoisier and Salignac

Highland plans to issue its rejection document before the January 18 closing date of the Hiram offer.

Details Page 12 Lex Back Page

Management: what Habitat has in store

Around Britain: the North Sea-

Lombard; an oil price poser for

politicians by David Buchan ....... 8

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Christmas aboard an oil rig ......

### and its shareholders." The mood capital expenditure programme – CONTENTS ~

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the top ..... Inmos problem for Sir Keith ...... 10 San Miguel Corporation: a thirst for Airport construction: intense competition in race for £20bn contracts ... 3 dollar funding ...... 15 European Options FT Actuaries .....

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# Russian troops 'in Kabul fighting'

BY OUR FOREIGN STAFF

TROOPS actively involved in street fighting in Kabul, the capital of Afghanistan, yesterday, according ot reports received by diplomats in Washington and

While Iran's Pars newsagency reported Kabul Radio as saying Afghan President Hafizullah Amin had been overthrown in a coup and replaced by former Premier Babrak Karmal, U.S. State Department officials said reports were too "fragmentary" to be certain that a coup had

taken place.
News of the upheaval follows a huge Soviet airlift of troops into Kabul over Christmas Day and Boxing Day. About 200 Soviet transport aircraft brought in ground troops variously estimated by diplomats at between 1,500 and 5,000. If

north-east, its strategic importance to the Soviet Union is immense.

First reports of the Soviet airlift came from Washington, where the State Department on Wednesday protested against Russia's "blatant military inter-vention" in Afghanistan. Diplomats in Islamabad re-

ported last night that heavy fighting had broken out in the Afghan capital. They said tanks had opened fire on the main road leading to Kabul airport, past the radio Afghanistan building. Artillery and automatic rifle fire was reported. Tanks were also seen moving towards the People's Palace, residence of President Amin. The firing began about 9 pm

local time (17.30 GMT), and coincided with the unconfirmed Kabul Radio report that Babrak Karmal had fought his way to power. Mr. Karmal, leader of the Parcham (Flag) faction in the Afghan People's Demo-cratic Party, has close ties with Moscow. He was purged by Moscow. He was purged by former Prime Minister Nur Mohammed Taraki last year and was sent abroad to Prague as ambassador. Later charged with terason, he never returned

to Kabul to face trial.

Jurek Martin writes from
Washington: The State Depart-Continued on Back Page Moscow takes events into its own hands, Page 2

# Dollar falls as gold nears \$520

BY DAVID MARSH AND JOHN EDWARDS

GOLD HIT a new peak of almost \$520 per ounce on the international bullion market yesterday as the dollar came under further pressure and sterling rose 31 cents to its highest level since September.

The renewed price surge, following on from gold's advance to beyond the \$500 level in New York on Wednesday, was accompanied by further speculative buying of other precious metals.

Silver, piatinum and pal-ladium all soared to record levels.

Gold rose to \$511 per ounce in a shortened trading session in London yesterday, up \$23.5 from Christmas Eve, and then made further gains to a high of around \$519 in New York.

invasion of Czechoslovakia in 1968.

Moscow has been a close ally of Afghanistan since the Communist takeover in April last year. With Iran to the east. Pakistan to the west, the Gulf to the south and Chimagon increase of the Soviet Union over Afghanistan, as well as the continued deadlock over the American hostages in Tehran, were the main factors behind the price (mains factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the price of the continued deadlock over the American hostages in Tehran, were the main factors behind the continued deadlock over the American hostages in Tehran, were the main factors behind the continued deadlock over the American hostages in Tehran, were the main factors behind the continued deadlock over the co

doubled since May. The major central banks are crossing price last Friday after-clearly worried by the de-noon, Silver has now tripled in stabilising implications of the price rise, especially its effect on the dollar, which weakened

months, and has more than

the Deutschemark yesterday. The Bundesbank gave some LONDON GOLD

slightly above the record low of around DM 1.7050 on December

The dollar was also lower against other main Continental currencies although it rose slightly against the yen. Silver rose to more than £12

an ounce for the first time ever.

On the London hullion market

the spot price quotation at the morning fixture was raised by 119.9p to 1,235.0p a troy ounce. On the London Metal Exchange silver market the cash price closed at the end of the afternoon trading session at 1,227.5p, 173.5p higher than the

vaiue since August. Free market platinum prices also broke into new high ground almost to a record low against yesterday rising above £300 for the first time with a gain of £18.25 to £311.45 (\$700) a troy intervention support to the ounce. Platinum prices have dollar yesterday as it slid to risen steadily since October DM 1.7165 from Monday's 1977 when the free market was DM 1.7300. This was only around

# Steel men expect offer

BY ALAN PIKE, LABOUR CORRESPONDENT

STEEL UNION leaders believe original offer of consolidation that they will receive an im- worth 2 per cent nationally plus proved pay offer at a crucial the possibility of another 10 per proved pay offer at a crucial meeting today which will determine whether a national steel strike goes ahead next week. However, they do not have any indication of what form the offer will take or whether it will be sufficient to enable them to

call the strike off. Senior British Steel Corporation representatives met yester- called for by Welsh miners in day to prepare their strategy for this afternoon when they will meet full negotiating teams from the Iron and Steel Trades Confederation and the National Union of Blastfurnacemen.

The unions rejected an

cent through local productivity deals. Last week, BSC offered a further 3 per cent in return for suspending the industry's guaranteed week agreement.

Stormy weather yesterday prevented the U.S. coking-coal ship Casparia from testing the blockade of Newport docks protest against BSC's decision to increase coking-coal imports and Government's refusal introduce a temporary subsidy for domestic products.

Steel buyers wait and see

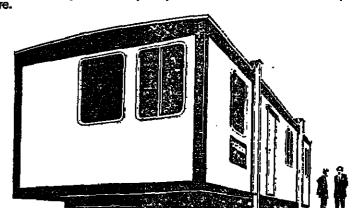
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# Fears of 'another Iran' in Turkey

BY METIN MUNIR IN ANKARA

Turkey that the current wave of has warned that the country "is will be as powerless as his prepolitical terrorism may get out swiftly being dragged into decessor. Mr. Bulent Ecerit. to of hand and the whole country a dictatorship." may find itself thrown into

in Istanbul, involved a boy aged bloodshed and contributing to divided and politicised as the 13, who had disobeyed a military it. A Turkish "Mafia" nation.

ing universal, as is - more elements. Almost all political equally helpless. It is not ominously - distrust in the parties, unions and associations trained to fight terrorists. authority of the State. "If things go on like this, we will have either a givil war or a coup. or

"We have to draw a lesson om Iran, Pakistan and senses-if fratricide does not stop, things will deteriorate,"

CONCERN IS growing in Yilmaz, an Independent Deputy, Demirel, the Prime Minister,

terrorism violent disorder reminiscent of basically from differences The tack or convenious basically from Right-wing the political leaders is probably Tran.

patrol's command to halt. Wed-smuggling arms with money nesday's death toll was more or made from drug-frafficking. Fear for one's life is becom- outside forces are a few of the under martial law, seems to be

are taking sides. been unable to protect the un- the snake," and to "drive at the both." a former Social Democrat committed liberal sector from roots of organised terror." Cabinet Minister said. Increas attacks by the terrorists, and lingly, one encounters people of widely differing political views, who hold the same view.

Committed liberal sector from the differing sector from the differing political views, are beginning to lose the army which was restrained by a legislance of this vital group. Mr. Ecevit.

Also, there are indications Mr. Ecevit's Social Democrats. The terrorists are choosing their targets from among these moderates to force their dwindling numbers into submission or taking sides.

Also, there are indications that the Army is beginning to crack down impartially. Left-and right-wing organisations have recently been shut down.

cope, and that dictatorship is springs the only way.

The lack of consensus among Newspapers reported yester- and Leftist factions. It is fed Turkey's weakest point against day that on Wednesday, eight by the economic crisis, inflation the onslaught. The police force and intelligence organisations people had been killed in and poverty.

Incidents connected with An intricate web of groups are badly paid, trained and political violence. One incident, and interests are exploiting the equipped. Worse, they are as

> The army, which is trying to maintain law and order in 19 Rurds, sectarian minorities, and of the country's 67 provinces

Mr. Demirel has sworn to do Successive Governments have his best "to break the back of

The recent growth in violence following illicit demonstrations. Mr. Demirel has also prepared



Prime Minister Demirel for which he has demanded Parliamentary support. But it is unlikely he will get backing where he needs it most-from

The mass-circulation dail; Hurriyet recently confessed to " heiplessness " terrorism. Until Communism or Fascism predominated in

# Mr. Vehbi Koc, a senior Turkish is interpreted as a move to Mr. Demircl has also prepared Turkey, violence we industrialist, said. Mr. Nurettin demonstrate that Mr. Suleyman a number of anti-terrorist Bills tinue, the paper said.

# Italian police 'breakthrough' on terrorism

investigations, largely as a result of information said to have been given by a university lecturer arrested on alleged

Police and magistrates are building up evidence which could confirm the existence of Rome. between the various

ITALIAN POLICE and security country since 1971 and extreme emergency measures to combat university professors and lecforces may have made a break-left-wing student movements, terrorism. The Government turers — turned to ordinary through in their anti-terrorist and further links between package gave police greater criminals to help them raise and terrorists criminals.

> suspected terrorists in a number afflicted by the recent revival of cities in the industrial north of political violence.
> of the country as well as in According to some reports of the country as well as in

The arrests followed the interrorist groups operating in the troduction before Christmas of cipally

ordinary powers of interrogation and searches, and aims at concen-The latest developments trating and reinforcing police follow a widescale police drag-operations in northern Italy, net leading to the arrest of 18 which has been particularly

> yesterday, extremist movements organised, it seems, prin- a doctor and an cipally by some left-wing Fiat car group.

funds for their subversive activities through bank rolberies and kidnappings.

meanwhile launched a further concerted series of attacks in a number of Italian cities just before Christmas. Four people were shot in the legs, including

# Israeli settlement target 'could hit peace plan'

BY ROGER MATTHEWS IN CAIRO

\$300m on developing Jewish had taken over 12 years to settlements on Arab land in the achieve. It was surely absurd, next fiscal year, approved by they argued for Israeli mini-Government ministers and the sters to think they could find World Zionist Organisation on another 16,000 people ready to Tuesday, have not outwardly ruffled Egypt but many officials months. in Cairo feel they further reduce chances of reaching any real agreement on Palestinian

Christmas Day that agreement

well before the target date. that it was planned to double ments. The Egyptian leader has the Jewish population of the already pledged himself to occupied West Bank and Gaza further steps on the road to Strip-within 18 months was normalisation of relations and anyway greeted with some an Israeli delegation is due in derision in Cairo. Officials Cairo this weekend to decide on pointed out that even if Israeli the siting of the new embassy figures claiming 16,000 Jewish here. Although ambassadors are settlers in the occupied terri- not due to be exchanged until

ISRAELI PLANS to spend tories were to be believed, this February 26, President Sadat denied before the Knesset that move there in the next 18

It is considered unlikely that breakthrough will occur.

The Israeli announcement- a result of the latest develop-Officials Cairo this weekend to decide on

before then. President Sadat's continued

willingness most Israeli wishes has left his negotiators dealing with Pales- tories as occupied lands. The tinian autonomy in something Dr. Mustapha Khalil, the of a dilemma: their main bar- able right to them." he said. Prime Minister, and Dr. Boutros gaining cards are being progres-Ghali, Minister of State at the sively reduced while President autonomy before the target date Foreign Office, discussed the Sadat is expressing ever in-of next May. Foreign Office, discussed the Sadat is expressing ever in-issue yesterday as part of the creasing optimism. President autonomy before the target date rotting of next May.

However, such doubts cannot preparations for President Sadat has already stated that he expects his new round of talks counter the vigorous optimism Menahem Begin, the Israeli with Mr. Begin will be difficult. shown by President Anwar Prime Minister, scheduled for while there is still no indication Sadat, who repeated on January 7.

violated accords.

has indicated it could take place the proposed automony plan for the West Bank and Gaza Strip would lead to the establishment to accommodate of a Palestinian state. "Israel wishes has left his has never viewed these terri-

Our foreign staff adds: Mr. Begin vesterday warned Israel's armed forces had to remain on guard against a continuing military threat posed on its border with Syria. He was speaking to members of a tank corps Mr. Begin's views strongly

would be reached and perhaps President Sadat will issue any well before the target date.

President Sadat will issue any Reuter adds: Egypt yesterday reflect those of military analysts rejected statements by Mr. Begin in Tel Aviv who feel the threat that Israel would maintain con-presented to Mr. Assad's trol over the West Bank. A Government in Syria by the Foreign Office official said this Moslem Brotherhood might prothe Camp David voke him into a military adventure to divert attention from Mr. Begin was reported to domestic troubles. This, they have made the statement in fear, could spark off a new Kiryat Arba, on the outskirts Middle East war which could of Hebron in the West Bank on drag other Arab states, includ-Wednesday, when he also ing Egypt, into the fighting.

# Oil price rise hits Dutch payments

By Charles Batchelor in Amsterdam

NETHERLANDS recorded a large deficit of F11.45bn (\$730m) on its balance of payments current account in the third quarter of 1979, Jargely due to the rise in price of oil. The latest figures confirm the

warning by the recent Central Planning Office that the Netherlands would have a payments deficit of Fl 1.2bn (\$520-1,040bn) this year instead of breaking even as was forecast in September

The third quarter deficit, which is seasonally corrected, compared with a surplus of Fl 425m in the preceding quarter and a deficit of Fl 545m in the first 1979 quarter, the Finance Ministry said. In the whole of 1978 the Netherlands had a deficit of F12.17bn. on a seasonally adjusted basis.

Following surpluses in the second quarter of the year visible and invisible trade was in deficit in the most recent quarter. Visibles showed a deficit of Fl 1.14bn owing largely to higher oil prices. While imports rose 6.5 per cent in value, exports

rose only 2.5 per cent. The latest balance of payments figures emphasise the need for an improved system of indexing the price of Dutch natural gas to that of oil. ne price of imported crude oi! rose 20 per cent in the third quarter compared with a rise

of only 6 per cent in the Dutch gas price, the Finance Ministry said. Mr. Gijs van Aardenne, the Economics Minister, recently

began negotiations with foreign purchasers of gas aimed at speeding up the adjustment of gas to oil prices nvisible trade showed a deficit of Fl 310m in the third quarter compared with a surplus of FI 340m in the

### Way cleared for Sa Carneiro

By Our Lisbon Correspondent ORTUGAL'S new Government. by Social Democrat leader Dr. Francisco Sa FRENCH RETAILERS have terday received Sra. Maria de Lourdes Pintasilgu, caretaker Prime Minister, at Belem signed.

governing programme Parliament on January 3. David Dodwell assesses the latest Afghan upheaval

# Moscow takes events into its own hands

THE Soviet Union, impatient with the Alghan Government lead by Hafizullah Amin, has evidently taken events into its own hands. A coup is reported to have come as a climax to a huge two-day Soviet troop airlift into Kabul. If early reports are confirmed, it is the biggest Soviet troop mobilisation since the invasion of Czechoslovakia in 1968.

Iran's reported Kabul radio last nightas saying that Hafizullah Amin has been overthrown and replaced by Babrak Karmal, a former Afghan Vice-President and Deputy Prime Minister under Nur Mohammed Taraki. Mr. Karmal's loyalty to Moscow is beyond doubt.

These latest upheavals in Alphanistan increase concern about the growing instability in the region. They raise fresh questions concerning Swiet inand will no doubt give the anti-Government American Ayatoliah Khomeini some cause for thought.

The upheavals come as a climax to 21 months of turbu-lent Communist rule in Afghanistan. The struggle for power among leaders of the Com-munist Kalq party has been constant. Armed opposition to the regime by conservative, strongly religious and almost xenophobic Afghan tribesmen has been equally constant, and has been extremely effective.

Reports of the events of the past two days in Kabul are still extremely confused. It is unclear how many Soviet troops have been airlifted into the country, and how they have been deployed.

Diplomats in New Delhi and Islamabad have reported more popular with the Soviet Union than 200 flights to Kubul since since he came to power. Taraki number of troops airlifted into the capital is variously estimated at between 1,500 and Since then constant criticism cities.

Whatever the number, the was for this reason that the Puzanov be recalled to Moscow. State Department protested on This was done only recently.



reported to have been deposed in a coup only four months

Wednesday over the "blatant military interference" of the Soviet Union in Alghanistan. There are no reliable estimates of Soviet troop strength and the Soviet advisers serving in Afghanistan before the latest his government seem to have airlift. Between 2,400 and 4,800 seen no signs of a change Red Army riflemen are understood to be guarding the main Ragram airhase near Kabul. At least 1.500 technicions are

ments.

In the confusion surrounding against him.

Mr. Amin has never been

of Amin's style of government by Mr. Alexander Mikhallovich thern province of Paktiar too Puzanov. Soviet ambassador to a sound beating in October, suf ominous, particularly by U.S. Kabul, has prompted numerous fering considerable casualties it diplomats, for some days. It was for this reason that the Puzanov be recalled to Moscow, mounted jointly by Afaban and Puzanov be recalled to Moscow.



after himself taking power

power, he promised stabili-within 30 days. Since then, reb activity has continued unabate policy likely to reduce reb opposition to the Government probable that Soviet troop should be called in to launc

there to service aircraft and other modern weaponry, while about 2.000 Soviet advisers are helieved to be attached to Afghan Government depart-

yesterday's events, it was at first unclear whether the latest increase in Soviet troop strength was in support of Mr. Amin, a hardliner who shot his way to power in mid-September, or

sufficient reason for the Sovie Union to pull the mat from under Mr. Amin. While rebel Christmas Day by Soviet was overthrown by Amin just are understood to control most Antonov transport planes. The three days after returning from of the countryside, forces local Moscow where he had won solid to the Afghan Government as

From the outset, it was le

any fresh assault against reh

tribesmen who have been par

ticularly active in the mountain

Afghanistan, and this wa

limits on military activity in th

The success of robel activists

while a constant irritant, is no

area in the months ahead.

country.

expected to

In addition, rebels in the nor

# French retailers sign prices pact

controls, Palace where she formally re- already been lifted on most in- appliances. dustrial prices, would be Careiro reportedly extended to retail margins. The subject to special price regu-

last week that the dismantling ning of the year for instance, of controls, which have special offers on household

warned. It is also designed to agreement is broken.

To fulfil the conditions put pressure on suppliers who Carneiro, is expected to take signed agreements with the attached to the measure, large have announced price increases office this weekend — three Government aimed at calming store groups have pledged a for the beginning of the year, weeks after winning the consumer fears about what will three-month freeze on food Other shopkeepers' organisanational elections. President happen when price curbs are Antonio Ramalho Eanes yes lifted on January 1.

International elections. President happen when price curbs are prices. They have also promised tions agreed yesterday on meaning the make price reductions on sures to aid consumers, include The Government announced some other goods at the begin- ing a clearer display of prices. but without any commitment on limiting increases.

The agreements do not in any This agreement, which will no case constitute a legal condoubt have repercussions on straint, a spokesman for the already has his ministerial only exceptions would be essent small shopkeepers' prices as National Trade Council made team ready for nomination tial foodstuffs such as fruit, well, is designed to prevent the clear. The Government will not and is expected to present his vegetables and meat, which are sudden upsurge of which con- carry out checks, nor will it be organisations have able to impose sanctions if the

cial forecast of a 6.4 per cent increase in consumer prices

contrasts with a Keidanren esti-

mate of 7.3 per cent and the Fuji Bank's 8.7 per cent.

An important element in the

which public utilities raise their

price picture is the extent to

charges in early 1980 in order

to absorb higher fuel costs. Fuji

Bank says that 3.8 per cent out

of the 8.7 per cent price rise

for the year will be the result

of public utility rate increases.

Private estimates of Japan's

international balance of pay-ments position in 1980 range from a "low" of Sann for the

current account deficit to a

The consensus would seem to

' high " of \$15hn.

### **ECONOMIC FORECASTS: DOUBT ON GROWTH**

### Europe 'to experience slowdown'

ECONOMIC GROWTH within Europe in the 1980s should average an annual 2.7 per cent in real terms, Prognos AG, the employment and anti-inflation Basie-based economic research plans for 1980. company, says in its Euro-Slowest progress is expected

more than 4 per cent. . For next year take alone, Prognos forecasts a slowdown

growth. By the end of 1980, GNP expansion is expected to drop to 2-2.5 per cent in real Projections for labour supply and demand point to a growing

between discrepancy number of available work-places and labour potential. In 1978 more than 8m persons are estimated to have been unemployed or probably looking for a job but not registered as unemployed, in the European Community alone. This figure is expected to rise to about 11.5m by 1984 and 13.5m by 1990. Inflation differentials in

Europe are likely to threaten exchange-rate stability, the report adds. It forecasts constant revaluation pressure on the D-Mark and a continuing trend to devalue other currencies such as the lira, the Danish crown, sterling and the bunt. The franc is seen as unable to maintain its position against the D-Mark within the European Monetary System.

The dollar is expected "depreciate continuously" in the wake of persistent U.S. balance of payments deficits

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# W. Germany fears wage-price spiral Yugoslavia

BY ROGER BOYES IN BONN

meeting in Caracas could seriously undermine its growth,

Count Otto Lambsdorff, the Economics Minister, warned this week that Germany's role in Switzerland and the UK, as an exporter would be hit hy where Gross Domestic Product cutbacks in European and U.S. 2 per cent annually at 1970 elsewhere, to pay for more prices. In Spain and Ireland, comparable expansion is expressed alarm at the prospect of some OPEC countries cutting oil production next year— leading naturally to a steep increase in "imported inflation" for Bonn.

> The Economics Ministry, the Federation seem to agree that of the

BY K. K. SHARMA IN NEW DELHI

INDIA'S Reserve Bank has

painted a gloomy bicture of

the country's economy, pro-

jecting a fall in gross national

product for the financial year

1979-80 (ending next March)

hecause of a drop in both

industrial and agricultural

production at a time when

the annual inflation rate has

In its annual report on cur-

rency and finance, the Reserve

Bank has said that although

aggregate investment during

the year ended last June has

improved, the tempo of

industrial production in the

slackened considerably owing

infrastructural

marked decline in the pace

There has also been a

adequacies.

half of 1979 has

exceeded 20 per cent.

THE West German Government latest OPEC increases will be broad agreement earlier this fears the sharp oil price rises the real possibility of a wage- year that inflation in 1980 announced at the recent OPEC price spiral. The monthly Eco- would reach between 4 and 5 nomics Ministry review of the economy yesterday stressed that and 3 both stable growth and employ- unemployent ment would be threatened by relatively stable, below 1m.

high wage settlements. The two leading trade unions in the country - the metal workers and the public sector employees - have already put in unusually high wage claims of between 9 per cent and 10.5 per cent. While these will be whittled down in negotiations over the next month, the Government is concerned that the unions will be reluctant to give ground on wage levels because of the OPEC decisions.

The Economics Ministry said the 1980 inflatio noutlook was causing serious concern," Central Bank and the Employers Government experts and most

that foreign exchange reserves

are increasing. Reserves have

risen rapidly over the past

four years to stand at over

\$7hn and have acted as a

cushion against potential

In the context of the grow-

ing inflationary pressures, the

Reserve Bank report says the

constraints on industrial pro-

duction are growing more

serious as transport bottle-

necks are exacerbated by

energy shortages and low

Restrictions on money supply and credit will have to

be maintained so that the impact of high liquidity and

minimised, the report says, but there is need for measures

to improve the working of

pressures

electricity generation.

internal difficulties.

Indian outlook gloomy as output declines

per cept, growth between 2. would

It is becoming increasingly clear, however, that these for-Institute has already indicated that it may scale down growth prediction—in the light bank president, has also warned that if wage settlements are year. above 6 per cent this winter, West German growth will drop below the forecast 2.5 per cent level for 1980.

Chancellor Helmut Schmidt the most powerful impact of the economic institutes were in as speed limits. However the 5 and 8 per cent.

the economy so that the supply of goods improves.

The Reserve Bank points out that the drought in the

summer has been aggravated

by the unfavourable south-

west monsoon and that

summer foodgrain output

could drop by as much as 9m

tonnes over last year's 79m

tonnes. Winter crop prospects are not yet clear, but the

year's food production could

be lower by at least 10m

toones over the previous year. The Reserve Bank report

could have an effect on the

coming general election on

January 3 and 6. Mrs. Indira

Gandhi, the former Prime

Minister, has been saying that

the economy has deteriorated

sharply during the period

she has been out of power.

Chancellor - anxious to avoid bitter labour disputes in an election year - has called on employers to keep price rises down to reasonable levels. Count Lambsdorff has been

particularly critical this week about concrete pricing forecasts -made by the oil companies. casts will have to be revised. Dr. Hellmuth Buddenberg, the IFO Economic Research chairman of Deutsche BP, said in an interview that the Caracas decisions would add another DM 0.1 to the price of petrol of the oil price rises. Dr. Olmar and heating oil and that the super brand would cost DM 120 (35 pence) per litre from next

Economics stressed that the only way Germany would maintain moderate growth and brake has said the OPEC decisions kept within the Bundesbank's will not prompt compulsory recently announced money country's leading energy savings measures, such supply growth target of between

Although the deterioration is

partly due to the drought, she

is bound to blame it entirely

on mismanagement by the two

governments that succeeded

The Reserve Bank points to

the international factors at

work and the adverse impact

these could have on the coonomy, especially because

of the rising price of oil and

raw materials. It suggests

that improvement in the

economy and containment of

inflationary pressures will

require considerable skill in management of limited

supplies of both agricultural

and industrial goods, improve-

ment in power and transport

needs and increased efficiency

in noth public and private

### activities such as manufacturing and mining, and 8 per cent less than the incomes of trading organisations, banks and insurance companies. The rise in incomes of these two latter sectors have not been

organisations

curbs

By Aleksandar Lebi

will also be curtailed.

THE YUGLOSLAV Federal

Parliament has adopted a resolu-

tion curbing personal incomes

and consumption in 1980.

Imports of all non-essentials

The resolution permits wages

engaged

and salaries to increase 5 per

cent less than the incomes of

\$2bn, compared with of 3.9 per cent. this year's estimated \$3bn. Each constituent republic and

authority to decide the matter cent in real terms, agricultural labour productivity by 2.5 per cent. Investments are targeted to increase 6 per cent, and exports 6 per cent by volume.

with imports to be kept in line. Investments will be concentrated in production facilities infrastructure. attention will be paid to import substitution and to production for exports. Prices will be kept under tighter control to reduce inflation, which is expected to exceed 20 per cent this year. At the same session, Federal Parliament passed the 1980 Federal Budget amounting to dinars 128hn (£3.2bn), or 28 per cent more than this year's Budget, as revised upwards.

## Japan could fail to meet official target incomes

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

PRIVATE forecasts on the per- also seem less optimistic than formance of Japan's economy in the Government about the price fiscal year 1980 released during outlook for next year. The offithe last few days fall well short of the 4.8 per cent real growth figure adopted by the Government in its official economic projection last week. Of a total of six forecasts

released by well-known research institutions, two—from the Fuji Bank and Keidanren, Japan's equivalent of the CBI-put the growth rate at 4.0 per cent. Two others—Sanwa Bank and the Mitsubishi Research Institute-opt for a growth rate of only 3.5 per cent. In between specified, but will be regulated

come the Yamaichi Research Institute with 3.8 per cent and The balance of payments the Japan Economic Research deficit will not be allowed to Centre which sees a growth rate The private forecasters seem to believe that the impact of autonomous province has been higher oil prices and tight assigned a ceiling for its share money on Japanese domestic demand in the first half of fiscal

Republics and provinces could 1980 (April to September) will not reach agreement on their be more severe than the Governthe State presidency, used its to March, 1981) will be slower, Some also expect a lower rate economy for most of the year. Private forecasting agencies average next year

be that Japan may be in the red by around \$9-11bn during the year-an improvement on the deficit of at least \$1250 which is now anticipated for respective shares, so the ment expects, while recovery in fiscal 1979. No Japanese fore-federal Government, backed by the second half (October, 1980, caster expects a return to surplus in fiscal 1980. The private forecasting

Industrial production has of export recovery, although all agencies, while generally less been set to increase by 6 per agree that exports, rather than optimistic than the Governdomestic demand, will provide ment, still support the view production by 3 per cent, and the main impetus behind the that Japan's economic growth will be well above the OECD

# Strong growth in China

CHINA HAS reported strong tion sharply increased the industrial growth rates in the availability of consumer goods. latter part of this year. Accord- reflected in the 10 per cent ing to figures released yesterday, gross output in light and past year. textile industries increased 15 economic readjustment China per cent compared with a similar period last year, while cent increase in gross output.

increase in retail sales over the In line with its programme of

postponed or cancelled 330 new new projects. Two thousand heavy industry showed a 10 per factories were either closed cent increase in gross output. Growth in industrial product facture of other products.

distribution machinery.

BY SIMON HENDERSON IN TEHRAN

Russia along the IGAT-1 pipe-

Mr. Ali Akhbar Moinfar, the Oil Minister who is also responambassador in Tehran on winter sympthetic to the Iranian view homes and industry. adding that there would now be

a series of bilateral talks. Iran wants to sell less of the tracted 28m cubic metres per pipeline is a major part of Iran's

duties for EEC By L Daniel in Tel Aviv

ISRAELI CUSTOMS tariffs on

over half of Israel's imports from the EEC will be abolished

entirely on Janustry 1 as part of Israel's agreements with the

Common Market. The goods con-

cerned currently account for \$1.8bn of total Israeli imports

from the area worth \$3bn a

mainly raw materials and semi-

finished goods, as well as items

products affected are

Israel lifts

duction which now stands at Iranian cities. about half the pre-revolutionary

day that he had met the Soviet stopped, leading to a chilly carried natural gas to the Mitsut. ambassador in Tehran on winter in southern Soviet Soviet Union. Under a swop Monday. He claimed that the republic of Azerbaijan, Georgia arrangement gas from other Soviet ambassador was and Armenia where it is used in parts of Russia would then have Even now production is said

ssociated gas, which comes day. Mr. Moinfar said exports trade with the Soviet Union. In from its southern oilfields and would be further reduced after return Iran buys Soviet trucks charged early this year.

Soviet Union on renegotiation cut back gas supplies because network in Iran. At present as some consumer goods, of the contract to send gas to of the reduction in its oil pro- IGAT-1 only supplies a few Renters add from Tokyo:

Iran to renegotiate Soviet gas deal

One of the earlier decisions of the new revolutionary During the slowdown in oil government in Iran was to sible for gas production, said in production preceding the cancel a second pipeline, a newspaper interview yester revolution gas supplies also IGAT-2, which would have

been sold to Western Europe. The sale of gas supplied to be less than half the con- through the 687-mile IGAT-1

IRAN HAS begun talks with the at a higher price. It has already setting up of a gas supply and military equipment as well Resumption of construction work on a joint Japanese-Iranian petrochemical complex at Bandar Shapur will have to

be postponed until next March

at the earliest, according to

The project, held up since the Iranian revolution, was to have been resumed last month, but the National Petrochemical Company of Iran (NPC), the Iranian partner, has raised questions on additional severance pay to Iranian workers dis-

# Rockwell Europe move imminent

Europe by Rockwell International, the US company, is tions began this month, expected within the next few During the first roo

For months talks have been held between Rockwell and development agencies in the UK and Ireland, but the most likely siting appears to be either Ireland or Scotland.

After initial talks with offi- of employees.

A DECISION on the siting of a cials of the Scottish and Irish A DECISION on the siting of a cials of the Scottish and Irish The plant will employ be-big microelectronics factory in development agencies in Octo- tween 800 and 2,000 workers ber, another round of negotia-

During the first round of sold throughout Europe. talks, Irish officials showed The latest talks were Rockwell factory in Dublin, specific: working out wh Cork and Limerick, all of which centives could be offered by are near universities which can various agencies. provide expertise the company will need for the plant which cost between £10m and £30m. depending on the number to two or perhaps three develop-

and will make standard microelectronics components to be The latest talks were more

specific: working out what in-centives could be offered by the Before the final decision is made, it is likely that Rockwell will submit detailed proposals

# **UK** tools escape U.S. curbs

By Ian Hargreaves in New York

A BRITISH machine tool company is to be allowed to continue to import sophisticated grinders to the U.S. although the imports violate U.S. tariff laws.

The International Trade Commission refused to take action against the illegal imports because it found that no domestic manufacturer could supply similar machines within the time span required by Ford Motor, the customer.

The case, which has been investigation for a year involved the sale of eight automatic crackpin grinders worth \$2m by Newall Machine Tool of Peterborough, Landis Tool, a subsidiary of Litton Industries, complained to the Commission that the imports violated certain patent rights.

The five member panel from the Commission agreed unanimously that there was a violation of tariff law but then voted three to two against taking any action to prevent a repetition of the imports or to seek to impose penal duties on the British company.

# Peking seeks changes in recent foreign technology agreements

CHINA'S IMPORTATION of import machinery for exploiting equipment and other imports is ment will be aimed at increasing for building power stations. self reliance, according to Mr. "China is also going

foreign trade magazine, Mr. Li well as for communications and duction of export commodities admitted that in the past important transport," he said. tation of technology and equipment had been haphazard. He paid for through overseas loans. said that, as a result, some However, the foreign trade agreements recently entered into minister made it clear that readjustment would strengthen would be altered. "Both sides China would exercise caution in China's ability to export texmay seek a rational solution new purchases. through friendly consultations,"

Mr. Li said China wished to to pay for advanced technology, to increase its competitiveness.

advanced technology and equip- coal, oil, non-ferrous metals and to increase exports," he said.

Li Qiang, China's Foreign Trade import some advanced tech- subsequent years of construc-In an interview with China's light and textile industries as attention to expanding the pro-

These purchases would be and raise our ability to pay."
aid for through overseas loans. Mr. Li predicted that the "The major and most reliable

Therefore, both during China's "China is also going to economic readjustment and in nology and equipment for the tion, we will pay considerable

present period of economic tiles and light industrial goods.

He said China was reforming approach to raise China's ability its foreign trade organisations

# China imports increase by 33%

PEKING—China's exports and raw materials to make textotalled 20.14bn Yuan (£6bn) tiles and consumer goods were by December 22, an increase of expected to be 33 per cent American trade has been making 26.7 per cent over the same higher than period last year, while imports of this year. amounted to 2.83bn Yuan, up 32.7 per cent, the New China News Agency said.

Major imported items inmaterials for agricultural use. including chemical fertiliser, Chinese Foreign Trade Ministry Reuter

higher than in 1978 by the end Meanwhile, China's official been widening.

cluded machines and equipment for the country's moderni-sation programme. Imports of article by Mr. Sun Suochang. head of the department in the

foreign trade magazine said U.S. import restrictions on Chinese

rapid headway, the unfavourable balance on the Chinese side has

"If the U.S. wishes to trade with China, it is imperative that goods must be lowered if it barriers restricting This will strengthen our ability to purchase U.S. products," Mr.

**WORLD DEMAND FOR AIRPORTS** 

# Intense competition in race for £20bn contracts

AIRPORT CONSTRUCTION and of wide-bodied airliners. equipment contracts around the world worth an estimated £20bn nitude, are expected to be placed over countries defer decisions for a the next few years. This is time, but national pride and creating intense competition the need for airports capable among leading suppliers of of handling revenue-bearing radar and other electronic aids, tourists generally swing the

world airline industry has important factor. slowed in recent years from nearly 15 per cent to perhaps airports are Africa, Latin half that figure, world demand America and the Far East, and for airports in both industria- while China remains an lised and developing countries uncertain area, the prospects

The cost of a new airport can longer term. Secondary airbe anything from £5m to £40m. ports in advanced countries are But initial plans in developing als oproviding many contracts. countries for the extension of though mainly for more existing facilities often lead to sophisticated electronic aids the construction of a virtually which allow them to handle a airport, such are the wider range of aircraft. demands of the new generation

many and among large civil engineer- balance and construction goes ahead. The need for air cargo Although the growth of the facilities for exports is also an

> The major markets for new there are enormous in the

based construction company, Faced with costs of this magrecently won a contract worth developing nearly £40m to build terminals and other facilities at the new Riyadh Airport in Saudi Arabia, which is being managed by the U.S. company, Bechtel. The air-

> But one of the most successful UK companies in the race which sells 75 per cent of its radar equipment abroad and has trebled the value of its exports in three years.

port is expected to cost about

It has been developing the ability to offer a complete air-port package. This played a big part in its winning a £27m contract at Abidjan, in the Ivory Coast



Egpipment for control towers will be essential to packages contractors are preparing for overseas buyers

This project started as an ex- new airport and review longer- substantial part of the £200m tension but Plessey is now term needs under a new £5m project when it gets underway. undertaking design proposals for contract. This puts Plessey in Plessey and other UK com-Tarmac, the Wolverhampton- the development of a complete a strong position to undertake a panies have been surprisingly and improvement work.

New Issue

francophone Africa, in spite of strong competition from the French. efforts through Aeroport de Paris, which specialises in offervisit from President Giscard d'Estaing, French companies recently won a contract to build a new airport for systems is good, but few com-Mexico City.

Britain has yet to concentrate its sales efforts in this way, lithough Plessey is moving in that direction.

In the Middle East, par-ticularly in the Gulf States, airport development has been strong in recent years. British construction companies such as marketed through British Aira large share of runway build-

has benefited from the airport number of other airlines. boom is the GEC subsidiary, France concentrates much of its Marconi, which supplies radar of various types, air traffic control simulators, runway lighting ing complete packages. With and a wide range of products this approach, assisted by a including airport information

> for military air traffic control panies are permitted to publi-cise these orders. In Africa, a number of contracts have involved repairing or up-grading Soviet systems supplied in conjunction with military aircraft.

> One advantage Britain has is the long experience of airport operations gained by British Airports Authority. This is ports International, jointly owned by the BAA and Inter-

Another UK company which turn is owned by BA and a

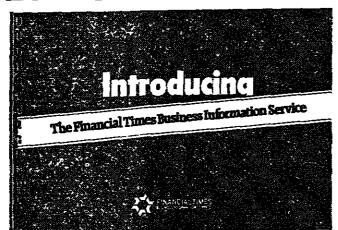
This company offers advice to potential suppliers and is particularly strong on airport design and passenger and cargo handling. The company sees a clear need for more package bids from the UK.

It is also clear that demand It points out that Japan, in its bid for a new airport in Bolivia, is ready to provide finance, design, construction, and operating assistance. Although the UK has the expertise to do all this, it is seldom offered in this way.

Although the value to UK exports of airport equipment has never been established due to its diversity, some companies have seen sales soar and the prospect for further growth is extremely good.

national Air Radio, which in London's third airport, Page 11

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# Marine insurers face worst peacetime year

BY WILLIAM HALL, SHIPPING CORRESPONDENT

and other very large ships lost has increased dramatically in 1979. So far five vessels of over 200,000 dwt have been lost—almost as many as were lost in the previous 10 years.

The size and extent of the losses is causing serious concern in the world's insurance markets and among organisations concerned with ship safety and pollution control. Lloyd's pollution control. Underwriters Association said it is too early for underwriters to form any conclusion as to why so many ships have been lost

The association says that 1979 is going to be the worst year in peacetime for the marine insurance market but rules out the possibility of shipowners having to pay a general surcharge to cover the increased losses.

321,186 dwt very large crude carrier (VLCC), Energy Deter-mination, blew up and broke in two in the busy Straits of Hormuz. The aft section of the ship, including the accommodation and the engine room sank. The forward section is still

afloat and anchored off Dubai. This is believed to be the biggest shipping casualty ever, and the most expensive in terms of hull and machinery insur-ance. It was in hallast at the time but its hull value was

Energy Determination's loss ls the latest in a growing list of disasters involving VLCCs which started last New Year's eve when the Greek tanker, Andros Patria, developed a crack in its hull in rough weather off the north-west

coast of Spain.
Out of the world shipping fleet of just over 71,000 ships. 715 are over 200,000 dwt. Only 142 are over 275,000 dwt. Until recently, most very large ships, which are comparatively young in relation to the average age of the world fleet, were considered to be safer than average.

In the case of the 1970 built Andros Patria, which caught fire and spilled about 51,000 tons of oil, the salvors managed to tow her into port, where she was subsequently broken up. In the terminology of the

	(vessels over 200,490 dwt)							
1969 1973 1975 1976 1978	Marpessa Golar Patricia Berge Istra Olympic Bravery Amoco Cadiz Andros Patria Atlas Titan Acgean Captain Atlantic Captain Berge Yanga Energy Determination	dwt 206,805 216,326 227,556 227,599 233,690 218,605 212,751 210,257 } 292,666 }	Explosion Explosion Explosion Ran aground Ran aground Explosion Fire Collided Explosion Explosion					
	mir. Pl. macrillinisacion		•					

Source: Lloyd's Intelligence Services.

structive total loss. However, she never went to sea again. In May a first generation VLCC, the 1968-built Atlas cleaning in Portugal and was declared a constructive total loss. In late July another first generation VLCC, the 1968-built Aegean Captain, collided with the 1974-built, Atlantic

The Atlantic Empress later. split in two and sank, spilling vast amounts of her 270,000 ton cargo. Twenty-six lives were lost. The Aegean Captain re-mained afloat but was declared a constructive total loss. This incident is thought to have cost the world's insurance markets

The next casualty was the Berge Vanga which blew up and sank with the loss of all hands Berge Vanga was not a tanker the Liverpool Hull but a bulk/oil carrier. It was Statistics.

ship, the Berge Tstra, blew up in 1975 but two of the crew managed to escape.

Apart from the casualties involving ships of over 200.000 dwt during 1979, there have also been a growing number of casualties among smaller ships. This year is thus also likely to become a record peacetime year Empress, off Tobago. Both fully for overall shipping losses. In laden vessels caught fire. the first 11 months of 1979. 261 ships of 2m gross tons have been lost, according to the Liverpool Underwriters Associa This compares with a figure of 260 ships of 1.38m gross tons in the whole of 1978.

For the marine insurance market the losses in 1979 come after marked deteriorations in both 1978 and 1977. The number of ships lost in 1978 was the highest on record and the value of total losses alone was in on board. Unlike the others, excess of \$500m, according to

# Tougher shipping fines

marily convicted for certain offences under the 1979 UK Merchant Shipping Act now being brought into force.

The sharply increased fines reflect the serious view taken of the offences and the fact that in excess of the certified maximay not always be possible to mum; proceeding against the bring the offending foreign traffic flow in a traffic separavessels to trial on indictment. insurance market the ship was. The fines, more in line with neither a total loss nor a contoday's money values. also

first 11 months of 1979 reached

more than in the same period of-

116m tonnes, nearly 9m tonnes

Energy Trends also shows that

the UK's own production of oil

FOREIGN SHIPS may be fined apply to UK ships and can be up to £50,000 if they are sum-Any of the following offences will be countered by the new range of fines—failure to render assistance following a collision; proceeding to sea from a UK port in contravention of a detention order; carrying passengers tion scheme; sending an unfit ship to sea and endangering lives.

Call for new

# Oil consumption falls by 500,000 tonnes

BY MARTIN DICKSON

THE UK used 500,000 tonnes station consumption of coal rose ss oil between August and by 1.6m tonnes, or 8.2 per cent, October than in the same three in the three months between months of 1978—a reversal of September and November. trends earlier in the year.

This was announced yesterday tivity by the National Coal in Energy Trends, the Energy Board was reflected in the fact Department's monthly statistical that coal production from Sepbulletin. It showed oil contember to November was 33.5m sumption from August to tonnes, an increase of 500,000 October was 18.5m tonnes compared with 19m tonnes for the 1978. Coal consumption in the same three months of 1978—a fall of 2.4 per cent.

Coal consumption rose by 7 per cent in this period—to 29.2m tonnes from 27.2m in 1978 -and the UK's total energy consumption was 2.3 per cent between August and October higher than in August to was nearly 20.5m tonnes, a rise October, 1978. was nearly 20.5m tonnes, a rise of more than 6m tonnes, or 46

The figures reflect the greater per cent, on the corresponding emphasis being placed by the period of 1978. Central Electricity Generating
Board on burning coal in power
stations rather than oil and a
similar switch to coal by indus-

trial users.

Deliveries of fuel oil were down 6 per cent between August ber were 11 per cent up on the October, while power same period of 1978.

the following banks:

Call for lorry 'mileage tax'

HIGHER DIESEL taxes for environment and roads.

lorries have been called for, as a way of relating total vehicle • The Road Haulage Associa-

mileage, through higher diesel said further taxes would have

tax, would help pay for the no cuyironmental or social damage lorries caused to the benefit.

GRUPPO FINANZIARIO TESSILE Società per Azioni-Capitale Sociale L. 5,500,000 000 Head Office: Torino (Italia) Corso Emilia no. 6 U.S.\$6,500.000 CONVERTIBLE BOND LOAN 8% 1973—1981 N. 12 DIVIDEND COUPON PAYMENT JANUARY 1st 1980 Bondbearers are hereby informed that the expiring coupon will be payable as from January 1st 1980 at

> BANQUE GUTZWILLER. KURZ, BUNGENER S.A. — GENEVE BANCA DEL GOTTARDO LUGANO

BANQUE INTERNAZIONALE A

LUNEMBOURG S.A. BANCA PREALPINA LUGANO

ROTHSCHILD BANK A.G. ZURICH

school initiative SCHOOLS MUST provide more better start to their working lives, the Confederation of

British Industry said yesterday. The CBI said: "Far too little attention has been paid to the pasic responsibility of the schools for preparing young charges were attacked yesterday people for adult and working by representatives of 19 Euro-Rising production and produc-

The CBI wants a joint initiative to introduce vocational preparation before the last year at school as a foundation for further complementary vocational preparation in employ-

### semiconductor capital to produce 64K chips for company backed by the its own use. National Enterprise Board, has These Inmos memory pro-

met its self-imposed deadline of ducis will be designed and announcing the location— tested in the U.S. The second Bristol—of its first UK production— line will be micro-major line will be designed and announcing the location— tested in the U.S. The second tion plant this year.

It appears that the company has received a quiet nod from the Government, which must sanction the second funding tranche of £25m, although official confirmation must await the New Year.

The first products, to be pro-duced in volume by 1982, will be two random access memory chips—one a 16K static and the other a 64K dynamic. Professor Barron, director of Inmos's UK operations, said that one of the first were yet on the market and the second would be one of the most sought after components of the early and midthat it had invested consider-ably more than Inmos's initial

processors. No details have been released yet, but they will certainly be the responsibility of the UK operation. Both of the planned UK plants will be capable of producing memories microprocessors - the and former in tens of millions by

Professor Barron was also confident that the technical decisions taken by him and his American co-lounders. Richard Petritz and Dr. Paul Schroeder, were correct. According to his description. Inmos will be a revolutionary force in the industry.

It will use three production 1980s. This is borne out by techniques. Two are relatively recent announcement rare and the third is as yet hardly used at all. It will be the only company in the world

### NEWS ANALYSIS . INMOS BY JOHN LLOYD

to use all three together. First, it will use a process known as wafer-slepping to pattern the densely integrated chips. Other companies are experimenting with electron beams and X-ray lithography

Inmos meets its self-imposed deadline

the wafer-stepping techniques were more economic. Second, Inmos will use the ion implantation process, which is gradually supplanting the diffusion techniques for very large-scale integration (VLSI) work, to create the transistors

on the chip. Third, it will employ a plasma etching process, rather than acids, to etch away unwanted silicate from the connectors. The three founders have always claimed that Immos

Tories may

early poll

THE DEATH of Sir Stephen-

McAdden on Boxing Day means

that the Conservatives face a

by-election in Southend East at

a time when Ministers expect

the Government's popularity to

Because of this, it is likely

that the Tories will opt for an

early poll rather than leaving it until later in the spring, when

the next round of public expen-

diture cuts will be starting to

Although it is too early in

the Government's term for the Liberals to be realistically look-

ing for a by-election victory in

a Tory safe seat, their hopes of

overtaking Labour in Southend East will be boosted by the fact

that the party has come a good

second in the neighbouring con-

stituency of Southend West.

be felt by the electorate.

By Elinor Goodman

be on the decline.

prefer

offered a major advantage over established companies. New techniques and design philosophies to increase the miniaturisation on chips are much easier to build into a new

company than to develop in an

established one. but Professor Barron said that Other semiconductor companies, notably in the U.S. and Japan, are of course, aware of the trends and gearing up for the VLSI era.

The joint-venture between the General Electric Company and the U.S. company fairchild (now part of the Franchregistered Schlumberger empire) was, he said, a different concept and would be producing

while Inmos unuld be integrated company with

stantial British research since D. Robert Claston, Gr technical director, is a men of the NEB. Questioned possible condict. Profes

Barron sold that fomos was all NEB members would " duct themselves with proprie The decision to build first plant in Bristol, ret than in the short-lin Wear or South Wales, will emphasised that Impos

made no commitment to NEB or the Government to plants in an assisted area. Type and Wear is un pressed. It claimed yester. that femos had ories coun different products.

The major difference, he said.

was that GEC/Fairchild would outers. from local aethoris

# Brisk start to sales —despite bad weather

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

of the country.

Retailers reported the usual the traditional big price mas, reductions, but the volume of Re bargain-hunting shoppers may initially have been dampened by

the bad weather.
But by the close of trading last night, many big retailers reported the level of customers well up to their expected level. The John Lewis Partnership, for example, said that after a slow start its sales were on target by early afternoon.

Retailers are anxious for a good trading start to the post-Christmas selling period to off-set the expected slump in demand over the next few Stores said the late months. pre-Christmas spending spree continued up to Christmas Eve, which should make the final December volume sales figures much healthier than expected. In the pre-Christmas sales

spree, it seems that people who had received big pay settle-ments in recent weeks and did not have big mortgage commitbenefited down-market stores February.

pean scheduled airlines.
The Association of European
Airlines told Mr. Nerman Teb-

bit, Under Secretary for Trade,

that "actual and intended increased charges exceed the

highest inflation rates anywhere

in Europe.".

'Massive rises' plan

criticised by airlines

PROPOSED "MASSIVE" Foreign airlines may start a increases in UK air navigation costs and airport handling charges were attacked yesterday by representatives of 19 Euro-

customer.

THE ANNUAL sales got off to such as British Home Stores and a brisk start yesterday in spite Dixons, the photographic and of poor weather in many parts audio chain. But the increased use of credit cards also indicated that people were prepared to ong queues and scramble for borrow to enjoy a good Christ-

> Retailers, however, fear that people may have over-spent by so much they will be unable to take advantage of the bargain

The biggest bargains are likely to be in clothes and foot-wear and bigger electrical appliances. Selfridge's sale. appliances. which starts today, has a number of clothes items on offer at half-

Selfridge's believes, in common with other retailers, that the bargain sales over the next few weeks will be supported by people who want to stock up with practical goods before the economy slips deeper into reces-"We are expecting over 300,000 csutomers on the first day alone," the store said.

The key question however, is how far stores will be forced to continue with their bargain sales. These sales normally last only a few weeks, but if stocks ments were prepared to have a are not exhausted then many good Christmas. This mainly may continue until late

cost the airline £2.7m extra in 1980. The "punitive" charges

would have to be passed to the

fees and pavigation charges.

The increased charges include

# Sir Stephen, who died after a

Died after fall

fall at Westminster under-ground station just before Christmas, was a member of the Speaker's panel of chairmen and vice-chairman of the Anglo-Israeli Parliamentary group.

Sir Stephen, who had repre-sented Southend East since 1950, increased his majority to 10,774 in the last general election, and it would take a swing of more than 18 per cent to stop another Conservative being This is the same swing as was

needed in this month's byelection at Hertfardshire South West, which the Tories won comfortably, despite a small swing to Labour and an increase in the Liberals' share of the vote.

But both Labour and Liberal believe they should do better in a rise of 95 per cent in airport Southend East, where Sir security tax and rises in landing Stephen, who was 72, had a

# CBI to launch study of business attitudes

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A NEW source of information for businessmen about industrial and social trends is about to Mr. Thompson says, is "an i be launched by the Confedera exploded homb lying und tion of British Industry at a neath a good number cost estimated to approach industries." He aids that "ma £100,000 a year.

It is called the Business Attitudes Guide and is the CBI says. "intended to give companies guidance about external matters which could 'hit them from the blind side'."

It has been developed from methods of corporate research used in the U.S. and is being prepared for the CBI by Opinion Research and Communications. Companies will pay up to £1,000 a year for information from the service supplied in regular

"Corporate research is being municating the case for ire widely and imaginatively used in the U.S." says Mr. Tommy Mr. Thompson, chairman of OPC the latest issue of the CBI mem- tial to monitor external corporate bers' bulletin. "In Britain there ate pressures in order to evolve are very few companies who, as But this will change as external pressures on companies grow."

Subjects covered will inch "consumer militancy" whi of them will find this out in t most expensive way if they not keep a finger on this partilar puise." Two other areas, which I

Thompson says most enumpara " could not care less about " h which will become increasing important, are corporate sociesponsibility and chairs mental matters including an pollution. In addition, companies shou be aware that the "Bullo

affair" on employee particip tion has not ended. More wo

long term policies with "ti least pain and expense," who consumer militancy was dev

New rates system may add £130 to some bills

of the country could find them- to levy the same rate in th selves paying up to £130 a year pound. more than those in other the Government introductul localities if the Government "notional" uniform rate in the decides to introduce a "uniform rate in the pound."

Authorities which found that isolate overspending by loca because the Inland Revenue authorities and forms part of a values properties differently in new rate support grant system various parts of the country the which discrepancies between actual penaltic considerable personal following. rates paid would be wide if overspend.

pound of 110p in the Bat Support Grant Order introduces That is according to a earlier this month, survey carried out by the This notional figure was intro-Association of Metropolitan duced to assist Government to

> meludepenalties for councils which

SOCIETY OF BUSINESS ECONOMISTS' SURVEY

# Forecasters agree on character of recession

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

sharp but short recession at the Cambridge Economic Policy end of which unemployment Group, the ITEM Club, will be more than 1.65m and the Economic Models. Chase inflation rate will still be well into double figures.

This is the general view of the 13 forecasting organisations in-cluded in the accompanying table. This does not mean that the projections are right, and the margin of error on a forecast of next year's gross domestic product is estimated by the Treasury at plus or tax more closely to mileage,

Transport 2000, the environment pressure group, said in evidence to the Armitage lorries failed to meet their full linguity into people, lorries and the environment that a fax on the env minus 14 percentage points and at £2bn for the current account. But the extent of agreement about the likely character of the recession is not only significant in itself but also because of its influence on policymakers in Whitehall, the City and

industry. which may be included in a recover.

comparison are Econometrics and stockbrokers Wood Mackenzie, de Zoete and Bevan and James Capel.

In general, the more recent the forecast the gloomier the outlook. Nevertheless, almost all the projections were made before the size of the latest increase in oil prices became apparent. Consequently, the outlook is probably rather gloomier than outlined. The main features of the forecasts are: 1-The average

decline in gross domestic pro-duct next year is 1.4 per cent compared with declines of 1.7 and 0.9 per cent in 1974 and ndustry. 1975 respectively. However, The list of forecasters is there is general agreement representative rather than com- among those forecasters loking prehensive and among bodies ahead to 1981 that GDP should

2-In contrast to the mid-1970s recession, customer spending is likely to rise next year, though by a much smaller amount than in the last couple of years. 3-The main contractionary

influences are likely to be fixed investment, down between 1 and 6 per cent in real terms next year, and stockbuilding as companies cut back their level of stocks, Consequently manufacturing industry will be worst hit, although the impact will be partly offset by increasing North Sea oil output.

4-There is much disagreement about the likely external performance, depending on the view taken of growth of UK export markets and of import penetration. Consequently, there is a £4.5bn range in current account projections, although the commonest forecast is for between balance and a small

in UK adult unemployment is about 350,000 to 1.65m by the end of 1980, with a further increase thereafter. This compares with the Government Actuary's working assumption of an average level of 1.65m in 1980-81.

6-The 12-month rate of retail price inflation is generally expected to peak at around, or slightly more than, 20 per cent in the April-to-June quarter of 1980 before slackening—in the absence of the Value Added Tax increase from the comparisons— to a range of 14 to 16! per cent by the end of 1980. But the rate is expected to remain around or over 10 per cent throughout

Budget.

line with the conclusions of the short-term forecasting group of the Society of Business Economists. Their projections, com-pleted towards the end of November, were for a 1.3 per cent fall in GDP next year followed by a 2.1 per cent rise in 1981. Consumer spending was forecast to rise by 0.8 per cent next year and by 4.2 per cent in 1981. A small current account surplus was projected

results of a questionnaire re-turned by 141 members of the real purchasing power will Society, who are economists in probably be resumed." The action to limit the figure to cent and just more than 30 per end of 1981.

5-The average projected rise £9.5bn or less in the next cent one of between 1 and 2 per cent. Similarly, 40 per cent expected a rise in real con-This analysis is broadly in

sumer spending of up to 1 per

Both the forecasts and these expectations support the analysis in the recent Bank of England quarterly bulletin that "while some of the recessionary forces would be more than temporary, others would be essentially short-lived - likely to cause a sharp dip, not a continued downward slide, in activity.
"A stock adjustment typically

or both years.

lasts one or two years; and
This is also in line with the after that sort of period, an

7-Public sector borrowing finance, industry, Whitehall and Bank's forecasting model of the projections range between universities. The survey showed economy projects a decline of that 40 per cent of the at least 1 to 2 per cent in GDP policies, though most analysts economists expected a fall in in 1980 and suggests that a expect the Government to take GDP next year of up to 1 per recoverey might set in by the

COMPARISON OF FORECASTS

	Percentage change year-on-year in constant 1975 prices unless stated	Expected outcome in 1979		Treasury (Nov.)	(Dec.)	London Business (Nov.)	National (Nov.)	Confederation of British (Nov.)	Economist Intelligence		Henley Centre (Dec.)	Staniland Hall (Dec.)	Phillips and Drew (Dec.)	Hoare Govett (Dec.)	Carr Sebag (Dec.)	Montagu Loebi Stanley (Dec.)
I	Gross Domestic Product	1.1	1980 1981	-1.8	-2.0	-1.1 0.8	0.2 1.9	- 1.6 	0.9 0.8	-1.3 1.0	-1.2 0.6	7.2 1.0	~1.8	- 1.0	-1.6 	2.6 
	Consumer Spending	3.9	1980 1 <b>9</b> 81	0.5	<u>0,25</u>	0.7 1.3	1.6 2.2	2.25	0.7 1.3	-0.9 1.8	0.3 2.2	-0.9 2.4	——————————————————————————————————————	-0.5 -	-0.9	0
	Exports	1.5	1980 1981	0	5.25	4.0 1.5	4.0 4.0	1.0	2.9 2.2	1.9 1.5	1.0 1.5	2.2 3.3	3.3	2.9		-1.0
	Imports	11.7	1980 1981	-2.5 	0.5	-1.1 0.4	1.7 3.6	-1.7S	-0.4 7.3	1.4 3.6	-25 15	-2.6 3.7	0.2	6.8		-2.2
	Retail Price Inflation (year to fourth quarter)†	17.5	7980 1981	?4.0 	15.5	13.2 10.0	15.3 12.2		13-2 11-3	16.4 9.8	14.0	13.9	16.3	13.7	76.1	76.5
	Unemployment (adults, 4th gtr, m);	1.29	1980 1981			1.27 1.48	1.42 1.59		1.79 2.03	1.8 2.1		1.7	1.56	1.55	2.03	1.7
	Current account (£bn)	-2.5	1 <del>9</del> 80 1981	2 <u>.0</u>	0.25	-0.66 -0.26	-3.3 -2.5	-1.0 -	-2.2 -0.8	1.3 1.0	83.0 18.1	-0.5 	-0.9	-0.3		-2.05
11	Public Sector Borrowing Chn+	8.3	1980-87	9.5		11.2	9.0		10.2		_	-	16,4	_		9.4

† Retail Price Inflation for year to fourth quarter for all except National Institute and Landon Business School (where consumer price inflation over same period), and OECD and Combining Econometrics (where average annual rate of consumer price inflation).

t UK unemployment in fourth quarter for all except National Institute where Great Britain (excluding Northern Ireland) and London Business School and Cambridge Econometrics where Borrowing forecasts make conventional working assumption that income tax allowances and specific indirect tax duties are increased in spring Budget in line with inflation during 1979.

Financial Times Friday December 28 1979

# HOW MIDLAND BANK HELPS SMALL BUSINESSES.

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Small businesses profit from Midland teamwork.

| Wildland Bank

# New house prices

NEW HOUSE prices rose on average by 35 per cent in 1979, according to the Anglia Hastings

But the society said that after demand for private housing, prices have now peaked and a buyers' market has returned.

claimed that while the average price of a new home was escalating in 1979, the price of an average post 1919 property increased by 32 per cent. At the same time, prices for older homes rose on average by

33 per cent. Mr. Moreton commented: Against all prediction the mad rush to acquire a home of one's own continued virtually unabated throughout 1979. House in almost all sectors of the market and all parts of the country, some to quite remarkable levels. Only as the year ends are there signs of sanity returning."

The society says that the increase in house prices is the more astonishing when set against a year which has seen high interest rates prevailing, low economic growth and an inadequate supply of mortgage funds in the face of persistent

Mr. Moreton added: "Our society's average loan currently stands at only approximately £12.000. an increase over the year of little more than 81 per cent, although we have kept funds. Prospective buyers have nevertheless found the wherewithal to fulfil their hopes of house purchase and have kept paying prices asked.

'Cost, surprisingly, does not seem to have been a deterrent. Topping-up facilities from banks and insurance companies have surely played their part as may have belo from relations."

On prospects for 1980, Mr. Moreton says the latest indications suggest agents have more homes to offer for sale than for some considerable time.

### Calor increases price of gas

manufacturing concerns employ-ing more than 50 people, that the total invested in 1980 could be between £596.5m and £681.3m. CALOR GAS yesterday increased the price of its standard cylinder and bulk gas by between 15 and 21 per cent. It attributed this largely to supply shortages in the inter
a drop of at least 7.5 per cent other unforeseen factors. It attributed this largely to supply shortages in the inter
panies at this time last year. Interest rates were the recommendation of the supply shortages. say whether they would be tak-ing on or shedding labour in the coming year, and the net

ated price rises.

The price of a standard 15 kg Calor Gas cylinder goes up from £5.15—plus 45p delivery charge result was that there will be—to £6.20, an increase of 18.7 a loss of 1.760 jobs. per cent. At the start of last January a standard cylinder cost £4.45, so there has been a 39 per cent price rise during construction industries, how-

# Companies cautious over control-lifting

step up their foreign exchange the balance. operations.

was reported by corporate treasurers questioned by the Financial Times.

After the relaxation of controls in July and their abolition Mr. Peter Moreton, chief in October, many companies are surveyor of the A. H. and T., still finding their feet in the new climate. But several finance directors report particu-lar benefits from their newfound ability to expand forward foreign exchange cover and to switch liquidity in and out of foreign currencies.

finance director of Tarmac, said his company was using the change in regulations to refinance with sterling loans medium-term foreign currency borrowings taken out a few

Such sterling refinancing of loans raised to fund direct overseas investment was prohi-

Odgers experience was echoed by several other companies questioned - said foreign currency debt had become "out of kilter" with the earnings power of foreign investments. This was particularly because maximise the short-term yield.

capacity, a survey published

estimates from questionnaires

returned by about a third of all

Capital investment, even at

this low level, will still sustain

jobs in the capital goods and

ever, and the council believes

yesterday shows.

BY RAY PERMAN, SCOTTISH CORRESPONDENT

INVESTMENT by manufactur- that between 14,000 and 16,000

out or outdated machinery and ture of the Scottish economy buildings rather than increasing which has been emerging

The Scottish Council for recession by cutting capacity.

Development and Industry Oil prices

Oil prices

£681.3m. earlier investment plans past.
In real terms this represents because of oil price rises or Th

expanding,

MANY LEADING British com- the last few years against the treasurer of Glaxo, said that his panies are using the opportuni- foreign currencies in which the horizons had been "considerably ties created by the lifting of company had borrowed. Tarmac expanded" by the lifting of conexchange controls to lower was "very pleased" that it now their overseas debt rather than had the opportunity to correct

A generally cautious response of ICL said that the company before converting into sterling. to exchange control freedom was not at present making use of the increased possibilities for general policy of increasing its external finance. This was mainly because the company lined up its finance, in both sterling and foreign currencies, well in advance of commit-

> The abolition of exchange controls did, however, offer corporate treasurers the opportunity to raise funds unaffected on bank lending. If ICI was ever in a position

where it could not raise neces-

sary sterling finance from the UK, it would borrow abroad via

the Euro-sterling market. Centralised

Sharp decline in investment

by Scottish manufacturers

The lifting of controls was particularly beneficial, Mr. Clements said, in that it enabled companies to centralise management of their liquidity bal-

Previously ICI had had two "kitties"—one for excess sterl-ing, and the other for foreign sented the unused portions of exchange cover to cut down on foreign currency loans. Now currency exposure. ICI had a better opportunity of

ing companies in Scotland is jobs could be created or main-declining sharply, with most tained in this way.

Sectors
such as chemicals, electronics

recently. Many companies are

responding to the deepening

Mr. Jeremy Baister, who wrote the report, believes the

picture may be even worse than

the figures suggest, since some companies will have cancelled

High inflation and high

interest rates were the reasons

often given for

although

e balance.

it possible to hold increased
Mr. Alan Clements, treasurer amounts of foreign currency but it had not switched to liquidity balances held in foreign exchange.

A finance director of a large textile company, who did not wish to be named, said comcurrency receipts because of the strong pound. This could easily change, how-ever, if the pound showed signs

Another corporate uses to say that the liberalisation of caused "no controls had caused "no dramatic change" was Mr. James Blyth, group financial director of United Biscuits. His company had not increased its porrowing or its deposits in foreign currencies as a result One large metal concern said. however, that the change in regulations had allowed it to increase sharply its direct payments from foreign currency bank accounts.

A big shipping company said that it was now increasing considerably its forward foreign

Under previous Bank of switching liquidity among dif- England rules, companies could ferent currencies in order to take out future foreign currency Mr. Neil Fergusson, group with contractual commitments.

There are some

optimistic and expanding.

such as chemicals, electronics

ing indicated that they were

Mr. James Johnstone, chief

executive of the Scottish Council, said yesterday that manufacturing industry was

economy of the UK, and the

future would not be pro-dominantly shaped by the fortunes of the manufacturing sector, as it had been in the

The survey covered only com-

panies employing more than 50

recent U.S. studies that about

government looming for 1980, but there are

# buyers wait and see

Steel

BY MAURICE SAMUELSON

A LEADING importer of steel from outside the EEC yesterday reported a rise of 50-60 per cent in the orders he had taken in the past 10 days from customers worried about a British steel strike.

However, most customers still appeared to be awaiting the outcome of today's lastditch attempt to prevent a strike before joining in any panic rush for alternative supplies.

The rush is also being held up by the high level of stocks accumulated by manufacturers throughout the year, as

The London sales offices of Continental steel industries have also reported a wait and see attitude among customers. Usinor, the French steel maker, said there had been slight increases in orders by regular customers. Estel Hoesch-Hoogovens, the Dutchit did not expect activity to increase before next week, if the strike went ahead.

Cancelling

Generally, once an import order is placed it cannot be cancelled. However, Usinor said that it would probably be able to cancel increase orders by regular customers the strike fail to

materialise.

Britain's own private steel making sector has not yet felt the brunt of any switching of orders from the British Steel Corporation. For the last few years production of last few years, production of rolled products by members of the British Independent Steel Producers Association has been running at about 65 per cent of capacity, though steel melting has been at a higher level.

Most private steel works are closed until next week, and yesterday BISPA said it would be impossible to read the situation until it was known whether the railways of the strike against BSC.

### Sony bids for share of office machine market

cent of new jobs were PLANS by Sony, the Japanese the created by concerns employing electronics company to com-trong fewer than 20 people. pete seriously in the office equipment market are now taking shape.

It is to launch its first centralised office dictation office dictation system in the UK early in 1980, to challenge the established makers.

Earlier this year Sony made its debut in dictation equip-ment and so far has brought eight different models on to the

automation. which Office brings together three separate industries - telecommunications, computers and office equipment-is forecast to be one of the largest growth industries in the coming decade. By 1987 some forecasters believe the market will be worth nearly \$16bn a year.

Already companies such as Plessey and the General Electric Company in the UK. IBM in the U.S. and Philips in the Netherlands have been preparing to compete.

Sony, which is relatively new to all office automation, is also believed to be developing word processing systems, to be launched within the next year

# Express and Sun face opposition to Scottish plans

BY RAY PERMAN, SCOTTISH CORRESPONDENT

PUBLISHERS of The Sun and the Daily Express have run into determined opposition to plans to print in Scotland using facsimilie transmission. News International is spend-

ing £3m converting a warehouse in Glasgow to a satelite print-ing plant. It would produce copies of The Sun for Scotland and possibly some new markets such as the Irish Republic. The plant could be ready by January

Express Newspapers wants to print 50,000 copies a day of the Scottish Daily Express in Inverness and has given a contract to Northpress, a local company set up by a former Express employee, Mr. John Vass.

Both schemes are opposed by the Scottish Graphical Division of the Society of Graphical and Allied Trades, which represents compositors in Scotland.

"We would understand the SGD argument if we were going to set material in London that was distinct to Scotland," said Mr. Bruce Matthews, managing director of News Inter-We have told the SGD that

we would be prepared to enter into an agreement that if ever we did use different material for Scotland, it would be set in

All we want to do is relieve the pressure on our presses in London and save the cost of flying 200,000 copies of the Sun to Scotland every day. For that we are offering in the initial stages more than 100 jobs." The SGD is backed by the

National Union of Journalists and the artists' union SLADE, which fear that printing the Sun in Scotland will undermine the jobs of their members on Scottish newspapers, particu-larly Mirror Group's Glasgow-based Daily Record.

Opposition to the Express love is more emotionally based because there is still had feeling over the closure of the Scottish Daily Express plant in Glasgow and the transfer of production to Manchester in 1974. "We will not allow the

Express to come tiptoeing back into Scotland through the back door," one union official said. The Newspaper Publishers Association is seeking an orgent meeting with the Society of Graphical and Allied Trades following disruption to distribution which prevented many readers receiving national newspapers yesterday. The problems related to Boxing Day working and it was expected that normal distribution would be resumed

# **Dockers settling for** 16% average rises

BY OUR LABOUR STAFF

LOCAL PAY settlements for the finance a large settlement. country's 26,500 registered dock-workers appear to be about 16 Port Employers' Association per cent, with many port were for 40 per cent increases employers and union negotia-from the TGWU and 32 per cent

ment. 1,250 dockers at Bristol voted last week to accept a 15½ per cent increase on basic rates. effective from January 1, and negotiations have started in London, Glasgow and Southamp-ton. At Hull, shop stewards are referring their claim to the industry's national joint council for arbitration and claim the offer is worth about 112 per cent. The main interest is focused

on negotiations between the Transport and General Workers' Union, the National Amalgamated Stevedores and Dockers and the London Port Employers Association. The Port of Lon- to September 24 provided for a and control of the use of life don Authority, the main em- 15.8 per cent increase on mini-

tors watching events in other from NASD. Traditionally erument guidance booklet.

settlements have been compar. About 20 people die a year able with the London Riverside and 5,000 are injured in life

involved minor alterations on bourses and productivity. A ployers' responsibilities and national agreement between the selection of operators, with British Ports Association and emphasis on manager, super the two unions signed at the visor and operator training. I end of October and back-dated lalso looks at safety measures ployer, is technically bankrupt mum rates from £47.50 a week Safety in Working with Lift and unlikely to be able to to £55 a week.

# worst hit by mail strike

North

200,000 strong Union of Po Office Workers mostly hit ? larger cities of Scotland a northern England. The UPW had advised members not to turn up f Post Office's Christmas holiday

vesterday as a normal workin day and said it did not kno what the full effects of the strike had been. Postal services in Glasgo Dunder. chester, Edinburgh, Ma Merseyside and the seriously affected. There were no postal deliveries to Glasco The Post Office said telephorexchanges had hardly be-

affected though there we

restrictions on 9 per cent

operated exchanges. Emergene calls went through, In London, the Post Offices scheduled to ope yesterday did so. There was little support among country staff for the strike. Post services in London have bee drivers who want overtime payments for Christmas Ex

working.

The volume of business was well down in any case became of the Christmas and New Yes holidays, the Post Office, sail last night. There will thus be no backlog of mail.

### Booklet aims to cut lift truck accidents

lift trucks, according to a Government guidance booklet.

group.

A meeting of dockers from the Riverside docks last week rejected an offer estimated to be worth just less than 17 per cent. per cent of these accidents are reserved, dockers than 17 per cent. Teesside dockers accepted a 13month. 17 per cent deal earlier
in the pay round.

Plymouth. Fleetwood and
Preston have already settled.

Deals arrived at so far have maintenance of trucks.

The avenuations are

trucks.

# TUC may quit strategy talks

BY CHRISTIAN TYLER, LABOUR EDITOR

strategy working groups set up under the Labour Government. because of their failure to produce concrete results at company level.

It could spell the end of the tripartite groups which have been studying aid, investment, exports and jobs in about 30 sectors of industry. The TUC would continue to

try to exert pressure on individual managements. It would encourage its affiliates to set up company-wide trade union committees to negotiate directly where jobs were seen to be at risk.

In its latest report on the ectivities of the "Little activities of the

TRADE UNIONS are collectively considering whether to parties, the TUC notes that, of pull out of the industrial the 50 biggest UK companies. only 12 have some kind of company-wide trade organisation.

> recommendations have not been taken up by the CBI or Government in the National Economic Development Council, the TUC has circularised its affiliates to ask them whether a new approach should be tried. The inquiry will take about six months.

The Government's dislike of the kind of dialogue with the TUC fostered by Labour has undoubtedly provided a spur. At the same time, some unions are out "special import penetration trustrated by what they see as task forces" and report back on the refusal of the other partici-

The TUC's report made ave recommendations: management working parties at union company and plant level to translate industrial strategy Because the report and its reports into action. • The TUC was to keep the

NEDC posted on its efforts to strengthen trade union struc-The CBI was asked to encourage its members to give

uniol lay officials time off with pay to sit on joint committees. All the national bodies responsible for industrial strategy were asked to stimulate action further down the line. The NEDC was asked to gend

taining imports.

# AMALGAMATED

Power Engineering during his secondment to the company's subsidiary in South Africa. Amalgamated Power Engineering S.A. (Proprietary) as a director and general manager.

Mr. E. A. Blyth, previously general manager of the building division of Clugston Construction, is appointed deputy managing director of J. F. FINNEGAN. He remains a director of Clugston Construction. Mr. A. J. Boswell, a director of J. F. Finnegan is

director of CHARLES HAMSFOND. He was formerly finance director at Tate and Lyle Respecies.

appointed chief executive of the CHELSEA BUILDING SOCIETY.

Mr. James J. Hayden has been elected vice president and treasurer of REXNORD INC.,

Mr. Ian C. Wood, managing director of the John Wood Group (Aberdeen) has been appointed a director of ABERDEEN TRUST from January 1.

Mr. Alex Mair, chief executive of Grampian Television, has joined the board of INDE-PENDENT TELEVISION

NEWS. He succeeds Mr. Peter Cadbury, chairman of Westward

Television, who has resigned.

Mr. P. E. E. Kleyn Van Willigen, president of the SMIT INTERNATIONAL, GROUP, will

retire on June 1. Mr. R. W. Scheffer, group managing director, will succeed bim. Mr. B. J. Amesz will remain deputy. Mr. J. W. H. Weissink, presently managing director of Smit International's overseas offices, becomes a member of group management on April 1.

At F. AUSTIN (LEYTON) Mr. Frank Austin has ceased to be joint managing director but continues as chairman. Mr. Benlamir Feder has been appointed joint Mr. Waverley D. Cameron has managing director. Mr. Brian S. been appointed a director of Terry and Mr. Derek W. Spencer. WAVERLEY CAMERON. He have become executive directors.

# BY ROBIN REEVES, WELSH CORRESPONDENT EXPENDITURE of £620,000 towards the building by Clwyd over the next three months on County Council of 20,000 sq ft

North Wales, was approved yesterday by Mr. Nicholas Edwards, the Secretary of State

Some £480,000 is to be spent year. trial estate at the site of the Gresford colliery and on building industrial nursery units on the Whitegate Estate, near

Council on developing an indus-A further £140,000 will go

to be completed by March.

package of similar schemes

ing during the coming financial Redundancy payments rang-

Mr. Edwards is considering a to be paid for out of the Urban Renewal Programme for fund-

ing from £4.000 to £22.000 for the 6,420 Shotton employees who are to lose their jobs with the shutdown at the Deeside works were agreed just before Christmas. The rundown is due

# £620,000 plan to ease Shotton closure effects

depressing effect of a strong fewer than 20 people.

pound on export sales and the "There are some dark clouds

regional development grants also some silver linings," said were also cited.

Mr. Johnstone.

Wrexham-Maelor District

industrial development schemes of nursery units at Mold and to alleviate the effects of the Buckley. These are due to be shutdown of iron and steel-completed by next September making at the British Steel at a cost of about £500,000. Corporation's Shotton works in

Chief manager at Lloyds Bank City office

Mr. B. M. Mettam, a member of the Sheffield Brick Group Board, has been additionally appointed joint managing director of the subsidiary SMITH WIDDOWSON AND EADEM. He is joined by Mr. K. Moss, whose home and overseas sales. Mr. Mettam has also been made managing director of Sheffield Brick subsidiary F. G. MACHIN,

ham subsidiary, PARKER WINDER AND ACHURCH, Mr. H. Waugh, Mr. J. Anderson and Mr. G. McRobb have been appointed to the Board. Mr. B. M. Widdowson, group managing director and managing director of Smith Widdowson and Eadem is leaving the group.

Mr. P. K. Donald has been made a director of BUCK AND HICKMAN from January 1.

The VARIETY CLUB OF GREAT BRITAIN, the children's charity organisation, has elected Mr. Tom Eggerdon as its Chief Barker (president) for 1980. He J. O. Plowright and Co. (Tankers) to become president and manage is managing director of Wincan-been technical sales manager of manager of the conveyors.

Mr. Harry Sasson has been

appointed deputy managing director of IRAN OVERSEAS

INVESTMENT BANK, where he was assistant managing director. Mr. Brian Sharpe joins CHARLES BARKER LYONS as a full-time director on January Mr. Michael Gibson, assistant

general manager (operations) with the Sussex County Building

Society, leaves on December 31 to become general manager (marketing) with LLOYDS AND SCOTTISH FINANCE GROUP. Edinburgh. Mr. Gerald Berwick has joined the Board of BARROW HEP-BURN GROUP and becomes

group commercial director on

January 1. He was formerly group financial director of CHI

Industries (UK). Mr. D. R. Davies, presently chairman of Inchcape Berhad in Singapore, has been appointed additionally to the Board of INCHCAPE AND CO. from January 1.

BUCON HANDLING SYSTEMS, Lymm, Cheshire, has appointed Mr. Alan R. Bowen as technical sales director. For the

### Finance chief for APE POWER will be responsible for a sub-

AMALGAMATED POWER will be responsible for a subENGINEERING states that Mr.
R. A. Jones will join the Board
on January 1 and will succeed
Mr. J. L. Wyatt as financial
director. Mr. Wyatt continues as
a director of Amalgamated
and Communication during his

Mr. Michael Bage has been

Help yourself to Gas Safety

# If you smell gas, ring us.

Gas is a very safe fuel-at least as safe as any other. It has to be, because it is the most popular source of heat in British homes. In fact, over 14 million homes use gas. But, like any fuel, it must be treated with respect. So, if you smell

gas, please follow these simple safety rules. Don't smoke or use naked flames.

• Do open doors and windows, to get rid of Check to see if gas has been left on unlit, or

Don't operate electrical switches-on or off.

if a pilot light has gone out. • If not, turn off the whole supply at the

meter if you can. Then ring us. Above all, if you smell gas-at home, at work or in the street-ring Gas Service. The number is in the telephone directory under "Gas," and we're on call 24 hours a day. Be specially alert when returning to premises which have been left unoccupied for several days.

For further advice on gas safety, pick up a copy of our booklet "Help yourself to gas safety" at your local gas showroom.

BRITISH GAS

**APPOINTMENTS** 

Mr. Peter H. Sones has been Clough and Mr. G. E. Pooley. appointed chief manager of J. O. Plowright and Co. (Oil)—U.S. subsidiary of the Swiss ceeds Mr. Philip Isaaes, an executive of Mr. G. E. Pooley.

Mr. G. E. Pooley.

Mr. G. E. Pooley.

Mr. G. E. Pooley.

Succeeds Mr. Alan Harding, who \*

Succeeds Mr. Robert B. Clark. retires on December 31 after more than 42 years service with the bank. Mr. Christopher Bruce-Jones, formerly deputy

Mr. Walter Paterson, general manager of the Basildon division of MARCONI AVIONICS has been appointed to the board,

succeed Mr. Sones as manager.

general manager of the National Bank of New Zealand, a member

Mr. M. A. Butt, Mr. J. M. Payne and Mr. R. C. Steven have been appointed directors of SEDG-WICK FORBES BLAND PAYNE GROUP, the main holding company of the group, from January 1. From the same date Mr. C. M. Mosselmans and Mr. M. R. Adams have been appointed deputy chairmen, and Mr. D. N. Vermont a director, of Sedgwick Forbes Bland Payne, the company responsible for coordination and control of the UK group of insurance and reinsurance broking companies. (Mr. Mosselmans and Mr. Adams are aiready directors of both the above companies.)

elected to the board of J. O. PLOWRIGHT AND CO.

Other board appointments from

the beginning of next year are: J. O. Plowright and Co. (Tankers)

Mr. G. C. Hogg has been appointed director of the BRITISH GAS CORPORATION'S

legal services. Mr. Cedric Brown,

director (construction) in the

production and supply division

of the Lloyds Bank Group, will at British Gas headquarters, has been appointed director of the Morecambe Field Project. Mr. B. C. Hurley has been appointed works manager of BP CHEMICALS' Carshalton factory

Home Secretary has

appointed Mrs. Jane Finlay deputy chairman of the EQUAL

OPPORTUNITIES COMMISSION

Mr. Malcolm B. Northrup has been promoted to the new post of executive vice-president, electronic devices division (EDD), ROCKWELL INTERNA-TIONAL CORPORATION. He was vice-president of Microelectronic Devices, a business within EDD, and he will act temporarily as head of that operation. Mr. John L. Archer, business director, has been made vice-president of ROCKWELL INTERNATIONAL'S bubble Mr. D. C. Harding has been

memory products business. Mr. Irwin M. Lerner, head of the pharmaceuticals division. is

particular responsibilities will be whose present general manager Mr. W. Rae also joins the Board. Mr. Neville Dearden has been appointed to the Board of SW FABRICATIONS, the group's Birmingham manufacturing subsidiary. At the other Birmingham subsidiary PARKER

now transferred from the Sheffield region to the Rachester region as resident director. Mr. Michael Rammond has been appointed an executive

Mr. A. R. P. Elliot is joining WILLIS FABER (UNDERWRIT-ING MANAGEMENT) in February as managing director

# From the human zoo to the animal kingdom

WILLIAM DONALDSON got his training for managing the Philadelphia zoo by running the city of Cincinatti. No doubt shocked at the prospect of seeing their city manager give up his appointment to run such an apparently foreign establishment, Cincinnati residents seemed to take it in good humour, judging by the Cincinnati newspaper cartoon that now graces Donaldson's zoo office wall. Passing a gorilla cage. Donaldson remarks, "I just keep getting the feeling I've worked here before."

In the course of his four years in Cincinnati, he gained a nationwide reputation for turning the city's chronic deficit into surplus, a feat accom-plished with the help of a gradual, but eventually, dramatic, 20 per cent reduction the number of city employees.

Like all old industrial cities in America. Cincinnati suffered from a decline in private industry, a weakening of once-selfsustaining neighbourhoods. and deteriorating city services. Such management problems their counterparts at Philadelphia's zoo.

It is America's oldest, and has been running at a loss every year since 1974. Donaldson, who started his new job last September, has already instituted the same strategy of payroll cuts, worked out with the union so that one union member and one staff member are laid off together.

Donaldson hopes to start a public appeal, and together with the savings made, money will be invested in capital improvements. The 200's annual Som budget bardly compares with that of a city, but Donaldson wants to keep better track of his resources with a master plan. This includes reorganisation of the zoo staff, so that department heads exercise more authority. "Because the zoo is so small." he says with an ever-present-and-everextinguishing-pipe in his mouth, the decisions yourself. I want them to set more policy. It's

A contemplative, easy-going man of 49, Donaldson hardly seems the type to shake up city administrations or joust with unions. Leaning back into the sofa in his office, he explains needs, Donaldson represents a it all as a matter of describing radical departure from the averto his adversaries their common age civil service mentality. problem and-wherever possible city administrator ought to have

the way people grow."



Underneath the veneer of the

there told him about it—as a

Donaldson accepted a \$15,000

He is also something of an

As we walk around the zoo

this the "age of extinction." he

foresees a continuing destruc-tion of animals' natural habitats,

which may eventually force

species to exist only in the arti-

ficial climate of zoos. He wants

to be sure that zoos at least will

These tanks each of 16,000

fabricated by Advanced

litres capacity (3 metres high and 2 metres in diameter) were

Chemical Equipment of Mirfield.

is meant for them, Donald-

The zoo director

-letting them come up with to deal with people's choices. the solutions. In Cincinnati, People may not like your fire he let each neighbourhood department, but there is no decide how to spend a \$5,000 question whether they would grant made available to them. use it if necessary. Here, I One chose to clean up the pave-have to give them what they ments, another advertised its want or they'll just stay home." high-quality, inexpensive houses to lure people from the suburbs. applied common sense projected

Now, at the zoo, he wants by William Donaldson, manager, to find out what the customers beats the heart of a confirmed want. Few if any surveys have animal lover. He first found out ever been done of zoo patrons the zoo job was going during in the U.S., but Donaldson has his weekly visit to the zoo in found somebody to help him Cincinnati.
prepare one. But he already there told knows the direction he needs joke.
to follow: "You see kids throw-Doualdson ing stones at the animals. It pay cut to go to Philadelphia, isn't out of maliciousness. They but he felt it was worth the just want to see the animals sacrifice. His children are do something." sacrifice grown up and he was looking

To that end, exhibits will for some kind of job that he begin to resemble the zoo's new could keep as long as he wanted "bear country," a large area to continue working. "Longevity following a natural contour and runs in my family," he jokes. following a natural contour and accommodating several types of bear. A television monitor authority on reptiles and allows viewing of an indoor amphibians. cave at the times when access is not possible. The children's grounds on a wintry day devoid 200, a special area where of the visitors who think the animals are more accessible- zoo and touchable—will also be reson admits to a certain sense of done to give kids more to do. mission in his work. Calling They will be challenged to run as fast as a cheetah or jump like a kangaroo, or be asked questions on the fascinating

In out-guessing his customer's

lives of the animals.

of swinging sixtles London, Habitat was among the most King's Road bazaar. Since then, oriental beads have given way to costume safety-pins as the emblem of chic, but Habitat has flourished, opening stores in such unfashionable spots as Glasgow and Wythenshawe. There have been a few upsets

WHEN Chelsea was the Mecca

in between; a disastrous and hastily dissolved marriage with Ryman, the office furniture and had Habitat a more cautious busi- opening time. ness. It looks with disdain (tinged by envy) at the explosive growth of MFI, the furniture chain, and its executives image than they used to.

shareholder, chairman and the mor Svengali. But over the last 10 selling, years he has built around him Abroa Ian Peacock, responsible for finance, and John Stephenson,

Though the other directors have clearly defined functions. Mr. Conran is still the leading light of the business. But he seems to have delegated most day-to-day management. He is frequently travelling, and spends much of the rest of his time at a house near Newbury, where half a dozen Habitat designers have also set up residence. He has no permanent office at the company's small and overspilling premises in Lon-don's Covent Garden, In Peacock's opinion Terence Con-

ran " is quite an able conductor

the instruments." Nonetheless. Habitat still bears very clearly his personal authority and imprimetur. Conran is chairman of all group subsidiaries, his picture appears prominently on the annual employees review and his signature on the Habitat catalogue. If further evidence were needed, his name is also carried by the U.S. chain of stores, a shop in London and the design

Mr. Conran's own style is reflected in the slightly improvisatory way in which Habitat occasionally goes about its busi-ness. Shortly before the first U.S. store opened for example, negotiations to buy the Habitat

wing of Habitat.

# Habitat has something in store for the stockmarket

BY JOHN MAKINSON

hastily startionery chain, in the late age and remove the brand sixties; too rapid expansion in name from all its products. On France just before oil the day I met Mr. Conran, a new rises cut a swathe store was opening in Hammerthrough retail profits there. smith and the tiling was com-The mistakes have made pleted only minutes before

From the start Habitat's strength has been to sell direct from its store a whole range of household equipment, excluding present a more soberly-suited white goods and audio. It began life as a manufacturer but The dominant executive in dropped this after the failure of in the group is Terence Con-ran, Habitat's founder, majority to concentrate on what it saw as the more profitable business of

Abroad, the expansion in group of executive directors. France during 1974 was out led by Michael Tyson, the of proportion to the size managing director—who also of the group at the time. has responsibility for Habitat's Habitat opened a 10,000 square fledgling U.S. operation. The metres warehouse-cum-office and other executive directors are four stores. Aside from the Ian Peacock, responsible for subs-quently poor retailing finance, and John Stephenson, climate. Habitat made tactical head of design and marketing, errors, notably in opening an outlet next to a gigantic Carrefour Hypermarket. The upshot was that the store had to close and the whole operation was trimmed back

In 1976, Habitat made a trading profit of £1.5m on sales of £21.1m. For the latest year, the comparable figures are £3.6m and £41.6m. The trading margin has improved from 7.1 per cent to 8 per cent over the same years). period and the number employees has increased by half at times, but he doesn't play all to 1,811. Conran's broadening of the

management team fits in well with the company's plan to list its shares. Swashbuckling entrepreneurs are acceptable in private com-panies; they go down less well with institutional shareholders. Mr. Conran's stake would be diluted in any case by a listing. At present he holds around three-quarters of the shares and would realise some of these to finance a long-cherished project: be the world's first museum of industrial design, covering a wide range of consumer range products.

Museum building is not the only reason for going public. A share listing would be there for them.

Trank Lipsius

T



lan Peacock, Habitat's financial director, describes Terence Conran (left), the group's founder and chairman, as an "able conductor at times, but he doesn't play all the instruments." present account for all the profits, the whole group is though Habitat is now looking

equity capital not held by Mr. valued at almost £15m.

scheme and these shares can as budgeted, and Habital would These problems aside, both sold. In the past, an like it to be in the black before sales and profits have grown at indication of the share floating the shares. Mr. Conran an impressive rate since 1975, value has been given by hopes that break-even will be a complex calculation involving reached in the financial year to an average of historic group July 1981.

earnings and the average price/ earnings ratio of the FT stores one. Several British retail index ton which basis it has groups have found North almost quintupled in four Acress to stock market funds

is also a consideration, though not, according to Peacock, an overwhelming one since Habitat's cash flow is satisfactory and the main need is for shortterm seasonal borrowings, to finance stocks. Mr. Conran says that six months ago Habitat was thinking about the spring or autumn of 1981 for its listing but that the present economic uncertainty, which he refers to consistently as "the thick fog." may result in a later arrival. group is already making preparations, however, by talking to investment analysts and publishing detailed accounts.

One major reason for the com-Three years ago, before they pany's softly softly approach to became fashionable, the group a listing is its U.S. operation, instituted an employee share This is still running at a loss.

America a hard nut to crack,

including such famous names as BAT Industries and Mothercare. Mr. Conran maintains that "the difference is that we have something original to offer whereas they, on the whole, have not." He claims there is no major specialist chain in the U.S. offering a whole range of household goods along Habitat lines, though competition is tough in specific areas. Pottery Barn, for example, is highly successful in the china and glass market. Learning from the mistakes its rush into France,

Habitat has moved slowly U.S., opening a large New York store in October 1977 and then waiting a year before adding another. A third Mr. Conran envisages a situa-tion in which Habitat would be was opened recently. All these owned in equal measure by are on the east coast of the employees, outside investors and country, where another three himself. If a price/earnings are planned (two in Washington ratio of eight (around average and one around Long Island).

at the west coast and the mid-west as possible second steps in the U.S. Mr. Conran emphasises that they would be managed by different executive teams.

As in Britain, Habitat has based its furniture marketing on cost-cutting exercises such as self-assembly and take-away purchases. The Americans, accustomed to home delivery, found accepting our puritanical outlook rather a shock," Mr. Conran says.

Apart from the U.S. and France, other overseas growth are being considered. West Germany has enormous trading potential but the Habitat style of furniture is already well covered by a highly successful hypermarket-chain. Japan is another possibility but would have to be approached as a joint venture with a local firm. One major obstacle is that Japanese furniture is generally seven per cent smaller than British, so a completely separate purchasing system would be required.

Back in the UK, meanwhile, recent analysis by the company suggests that there is scope for 66 stores in the country, compared with 28 at present. Miniare being investigated, as are hypermarkets. So the group for the stores sector) is applied The policy of geographical Chelsea could well end up on to last year's distributable concentration is deliberate; the village high-street.

# Technical News

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

### INSTRUMENTS

# Measures wind speed

the construction engineering by Prosser Scientific Instru- speedments, Hadleigh, Ipswich IP7 6DQ (0473 823005).

Many current anemometer designs use mechanical sensors such as vanes or cups which have to be mounted and remain allow incorporation in a vertical attitude—implying processing systems. gimbal mounting with some kinds of crane for example. Icing and gale damage problems can also arise and mechanical inertia may mean that such devices are not sufficiently re-

sponsive to gusting.
In the Prosser design a major civil engineering company gave assistance. The system has a measuring head based on the change of resistance of a heated element that is being cooled 32 V dc, 30 mA.

tester integrated into a complete

A reliable mechanically or

250 mm in 100 metres using a

band-held instrument made by

Data Precision in the U.S. and

available from Farnell Inter-

national Instruments, Sandbeck

recently a Farnell customer developed a method which

shire (0937 63541).

(01-500 1000).

PCB test console.

Checks the continuity

Finding breaks in cables

LOCATION OF breaks in cables involves taking one capacitance

can be found to an accuracy of reading from each end of the 250 mm in 100 matres using a cable. Knowing the total length

national Instruments, Sandbeck accuracy of the method depends Way, Wetherby. West York on how accurately the total

The DP 938 is basically a the break from end A is the portable capacitance meter, but recently a Farnell customer length, divided by the total of

AN UNUSUAL type of wind-speed measuring instrument electrical power needed to mainwith no moving parts, aimed at tain the element at constant temperature is measured using a bridge circuit with an output industries, has been announced calibrated in terms of wind

> A direct reading analogue meter is included as standard, while optional remote indicators, recorders and alarm systems can be provided. Suitable outputs allow incorporation into data

> Normal range is five to 30 metres/sec or 10 to 70 mph, for use in ambient temperatures from -10 to +40 degC. Other scales such as Beaufort can be provided, and the nominal accuracy is +4.5 per cent of the reading. Heaters can be pro-vided to prevent icing obstruc-

tion of the head. Standard power requirement of the instrument is 24 to

it is then possible to work out

the distance of the break from

Field tests show that the

length is known. The distance of

the company.

West Yorkshire, and have been installed at Arrow Chemicals of Swadlincote near Derby. One tank contains hydrochloric acid, another a caustic solution and the remaining six hold proprietary chemicals used in the production of industrial cleaners and polishes. The tanks are made from 6mm thick Propylex—British Celanese polypropylene sheet. Two of the vessels are heated and lagged with slabs of polyurethane foam. Advanced Chemical Equipment was also responsible for producing the polypropylene pipework, for supplying mechanical measuring devices and for carrying out spark testing and hydraulic pressure tests before delivery to the site. Metering pumps for this new plant were

PROCESSES

manufactured by Bran and

Leubbe (Great Britain) of

Brixworth. Northampton.

# Rounds off the sharp corners

USE OF melamine veneers has advantages for manufacturer tion line with five or six moulds made sharp edges and pointed corners of furniture a potential domestic hazard, and safer, rounded edges of solid or veneered wood have been applied, but this method can be both labour intensive and Economical alternative is sug-

OPEN OR short circuits can be located quickly on most types of interface is incorporated and it printed circuit board including is a simple matter to change multilayer and flexible types, test jigs to suit different circuit using the A6400 from Gould lostruments, Roebuck Road, customer assembled from kits of customer polyurethane moulded coating Elastogran UK, Unit 69, Faircharm Industrial Estate, Evelyn Drive, Leicester (0533 823225). This process has been deve-Hainault, Essex IG3 3UE parts or supplied ready made by by the company in conjunction with the German The machine, which can Printed boards measuring up handle boards with up to 3600 to 460 x 340 mm can be handled circuit nodes, consists of the company's A1000 continuity in finding solder shorts, broken furniture industry and promises

MATERIALS

### and missing tracks and testing flexible and loaded boards, it Industrial can also be applied to the testpneumatically operated head for ing of backplanes and cable bringing the circuit board into systems. solvents

ONE OF the major European producers of fluorinated hydrncarbons, Rhone-Poulenc, is now marketing in the UK a range of solvent blends under the trade name Flugene F113.

Greeff, Suffolk House. George Street, Croydon, Surrey (01-686 0544) as sole distributor in the Street, Croydon, Surrey (01-686 weeks rather than months.

The company refers to these as Group 3 cranes. They are completely stripped down and industrial cleaning field. removal of solder flux from

and consumer alike.
A polyurethane low-pressure processing machine and heatable aluminium moulds are shift. needed to make the polyure. Adthane safety edge. The piece of furniture is fixed in the mould and the space between the sur- surface or type of production face of the piece and the side of and used with any surface gested with the use of a the mould is filled with polyure-material, whether synthetic thane system Elastocoat C. resin plastic or natural wood. system, Elastocoat C, from After just five minutes the polyurethane mixture has hardened thoroughly and, because ing and colour (non-fading) and of its high adhesive strength, a surface texture of edging homogeneous seamless bond is material as required, and the effected between the furniture surface and the edge. One fully automatic product emperatures and chemicals.

**e** SERVICES

# New cranes for old

Acrow company) is to completely recondition mobile cranes in a relatively poor condition so that they may then be offered in "as new" eondition at a price between 40 and mum jib arrangements are It has appointed K and K 60 per cent of the original and assembled, test loads applied. delivery measured in

the engine is usually replaced printed circuit boards and electivity a factory reconditioned tronic components. It also has unit. Axles and transmissions application in the cleaning of are repaired or replaced as painted and tested capacitance of end A times the precision metal and optical necessary and all badly worn length, divided by the total of parts, ball bearings and in the items such as tyres, instru- Ashford, Middlesex (Ashford the readings from the two ends. metal/plastics plating industry, ments, and hydraulics are re- 42181.)

The second of th

LATEST ACTIVITY of Crane placed. The totally overhauled and Machinery Services can crane is then painted to an "as new' ' specification.

reach a production capacity as high as 600 pieces per line per

Advantages of polyurethane

moulded edges are that they

can be matched to any size of

There are choices of degree

of definition of edge and mould-

edges are said to be resistant to

the effects of moisture, elevated

For final testing a special test bed has been laid down by the company to withstand loads of 100 tons/square foot. Maxisafety devices double checked and a test certificate issued. The company's other cate-

gories are Group 1, fully inspected cranes sold in existing ex-site condition, and Group 2, fully serviced cranes repaired to safe working order, cleaned, re-

### • NORTH SEA OIL Keeping the pipelines clean GENERAL descaling has won

an order from Brown and Root-Wimpey Highlands Fabricators, on behalf of BNOC (Develop-ment) to design and build what is believed to be the first pig trap capable of launching six pigs in sequence under one-man control.

For an offshore platform in the Beatrice Field in the Moray Firth, the vertical trap will load all six cleaning pigs at once and release them individually into the pipeline on demand. A Class 600 16-inch diameter

unit, it will be provided with a number of removable baskets. These will minimise work at the platform by enabling the pigs to be preloaded—six to a basket -onshore. Work for platform personnel is thus confined to loading and locking this cassette in the trap, and running the

pigs.
The trap is operated electropneumatically, the pigs being released into the line one at a time by the retraction of six sequence-interlocked fingers. Other features include a GD ring lock closure equipped with safety bleeder devices to ensure that any internal pressure is relieved before the trap can be opened.

The trap is likely to be in continual use by the operator BNOC, the 30-mile line probably being pigged several times a This is necessary to prevent any internal build-up from the relatively high wax content in the oil.

COMPUTING

# **Terminals** for building society

BIG ADVANCES in the financial terminal market in Britain have been scored Philips Data Systems securing a contract from the Bradford and Bingley Building

Branch equipment for this organisation. with over 1m accounts and nearly 200 branches countrywide, will serve one of the largest societies in Britain. The contract covers delivery testing

of the PTS 6000 range of key-boards, displays, printers and terminal computers during the period 1980-1982, the value of the contract being in excess of

Selection of Philips followed an extensive and detailed evaluation by Bradford and Bingley, and was significantly influenced by the design aspects of the PTS 6000.

Bradford and Bingley is the third building society to choose Philips as branch terminal computer system supplier. Philips Data Systems on 0206 5115.

# Belgian software

centre AMERICAN microcomputer system software house. Microsoft has joined with Belgianbased concern Vector Inter-

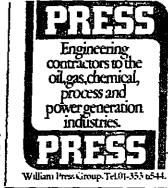
Vector Microsoft.

The new company will be a wholly-owned subsidiary of Vector International and will be located at Haasrode Research Park near Brussels. It will have exclusive marketing responsibilities for continental Europe. with rights to sell in the UK, Ireland, Eastern Europe and the Middle East

national to jointly establish

Microsoft has recently released three new products including a fifth generation of Basic-80 interpreter, a Basic compiler which, it is claimed allows applications to be run five to 10 times faster, and a Basic interpreter for 16-bit microcomputers, claimed to be the first on the market. It is called Basic 86 and is available for evaluation in a stand-alone disc version running on the

More from Vector International n.v., Research Park, B-3044 Hausrode, Belgium.



terminal computer • ELECTRONICS

# Bench-top equipment

MOST of the facilities of the company's MB7700 automatic test equipment family can be provided as options in a new version of Membrin's MB7710, a bench-top tester with full diagnostic ability which is offered at under £25,000.

The MB7710 consists of two units linked by multiway cable. One incorporates the pin elec-tronics and test head while the other houses visual display unit. keyboard, and floppy disc drive with control electronics.

Most of the standard MB7700

software can be used including the digital guided probe diagnostic package "Hypoint" and the response learning program "Mentur." An IEEE 488 interface can be used and the system can drive and sense up to 160 test points. Particular attention has been paid to ergonomics and fixture arrange-

More from the company at Ferndown Industrial Estate. Wimborne. Dorset BH21 7PE (0202 893535).

• TRANSPORT

# Experiment with a bus engine

AS PART of a programme to evaluate energy - conserving ideas, the National Bus Company in conjunction with Leyland Vehicles has put a liquefied petroleum gas-powered Leyland Atlantean vehicle into service with the Ribble fleet.

The vehicle conversion has been made by National Bus Company at the Ribble central works with assistance from Yorkshire Autogas of Halifax and using an experimental engine supplied by Leyland. The bus will be used in Carlisle.

### LOMBARD

# Oil price poser for politicians

BY DAVID BUCHAN IN WASHINGTON

of Canada are prescribing.

### Pledge

Mr. Carter, whose phased de- year. control of U.S. oil prices is the bedrock of his energy policy, seriously out of kilter. faces the primary election contests this spring. Buoyed in the world's highest per capita polls by popular reaction to the energy consumption — 52 Iran crisis, the President may vet come a cropper on the cold winter and the strung-out energy issue. Mr. Clark may distribution of their population already have done so—a proposed 18 cent (Can.) a gallon industries are part of the netrol tax increase brought explanation — but so is waste down his budget and his consumption. It is still rising. Government. But he has Canadian drivers used 4.3 per pledged to reintroduce it if cent more petrol in January

facing each man is very similar. down by almost the same per-The U.S. and Canada promised centage in that period. their European and Japanese partners to bring their domestic ail prices up into line with world levels. The aim is to reduce imports by the pincer The U.S. has at last a reasonable effect of stimulating production and squeezing consumption at the Carter de-control, a pro-home. U.S. imports, as we all gressively larger volume of U.S. know by now, are gargantuan, produced oil is freed from conknow by now, are garganian.
around 8m barrels a day. trois. By October I, 1901. The canada's imports are still small. all U.S. controls expire, all U.S. controls expire, all U.S. oil should in theory be traded the controls expire.

The political nightmare for both men is that not only is the catch-up to world levels likely to pain their voters, but it actually has to be painful—if Americans and Canadians are to of price fixing across the board conserve more and consume Its outgoing Tory Government less. How do you persuade voters wanted to increase the domestic to put you back in power when you have chewed a large hole in their pockets? One thing that helps is to try to placate tain is that Canadian oil will the oil consumer by soaking the rise by a paltry C\$ 1 to C\$ 14.75 oil producer — the Sheiks of on January I. At that rate, they Houston and Calgary. An oil profits tax has nearly passed the U.S. Congress, and something similar was part of the Canadian

BBC 1

† Indicates programmes in black and white.

NORTH AMERICANS have to sumption. If a new government accept OPEC price increases comes in with an overall like the rest of us. It is quite parliamentary majority (which another thing for them to grin Mr. Clark so far did not have) and bear it when their poli- it can ask parliament to slap ticions start pushing up their on petrol tax increases almost own domestic oil prices. The overnight, and make them stick. next few months will show Not so in Washington, where a whether U.S. and Canadian similar move could only emerge voters are stoic enough to out of months of pulling and swallow the unpalatable medi-hauling in Congress. Mr.

cine President Jimmy Carter Clark's defeat on his 18 cents and Prime Minister Joe Clark has reinforced those in the Carter White House who have argued that a mooted 50 cent (U.S.) tax on a gallon of petrol spells suicide in an election

Otherwise, Canada is more energy consumption — 52 barrels of oil equivalent. Their returned to power in the September this year; the U.S. February 18 general election. consumption, because of steep The nature of the dilemma price rises and shortages, went

plan to close the gap. Under

### Disheartening

Canada, however, is going much slower down the old path price for crude by C\$ 4 a barrel in 1980 and C\$ 4.50 in 1981. With its defeat, all that is cerwill never catch up with OPEC.

Disheartening, but apt for Canadians are the words of the Red Queen to Alice: "You have budget package. to run as fast as you can to stay Canada should have one where you are. If you want to advantage over the U.S. in get anywhere else you must run trains for Major Derek Wigan, tackling the problem of contwice as fast as that."

# Averting a Christmas Armageddon

BY JOHN GRIFFITHS

"Prevent hangovers-stay drunk."

EVEN ON Christmas Day-no-

one was following the advice proffered on Ronnie the medic's lapel badge. But when you're living on top of 649 feet 6 inches of spidery steel structure-to say nothing of a mountain of oil and gas—110 miles out in the North Sea, then you expect to make sacrifices.

On the Occidental group's Claymore production platform. as on most other North Sea installations, approval has to be sought even for the brandy for the Christmas pud or the wine for the supreme guinea fowl marechel.

Not that it's needed for the smoked salmon au citron: Or the salmon en croute

castinel; Or the jellied breast of duckling; Or the roast venison and sauce royal:

Or the tournedos rossini. royal game soup, bombe alaska rum savarin with

At least the platform's 230 crew go thirsty in style. . . . There is a popular belief that North Sea rigs and platforms to prevent an Armageddon of are populated entirely by hard-bitten, red-necked Americans and huge, hirsute Scots whose are not impaired when underidea of a pre-lunch aperitif is taking the 101 activities, many ten pints "ae heavy." In fact, of them potentially hazardous, as Mr. Colin Seaton, Claymore's comprising the everyday life of operations superintendent,

THE NORTH SEA

points out, most of the men on the Claymore platform " are ordinary guys like you and me with wives and huge mort-

A few of the work force of various contractors who populate the platform for a variety of reasons at any one time-Occidental's staff prises unly 20 per cent of the total-were planning to pick up headaches in the bars of Aberdeen before making their assorted ways home on Christmas leave; but most were intending to get straight off the fresh cream, vacharin British Airways helicopters lychees, cheese board or petit fours.

British Airways helicopters which service the platform on to connecting flights home to wives and children.

Thus the "no drinks" rule on the platforms is designed less the Celtic v. Rangers variety than to ensure that judgments

out in a safety booklet running wards to Occidental's terminal to 43 pages and which is manda- on the Orkney island of Flotta. tory reading for all on the But apart from the very extenplatform. Woe hetide the man sive menu-one of similar, lighting his Christmas cigar gournet dimensions will be anywhere outside the living and served on Hogmanay - there working quarters specially were other touches to inject a pressurised to keep out inflam. Christmas spirit. In a mess hall mable vapours. They are rules with which all of waiters, and the trimmings the men seem fairly happy to ranged from napkins to work on the platform, and it is come to terms. "Sure, it would crackers. With the meal over, among them that labour turnhe nice-and I don't think it the men could relax over

they fixed things for the the less energetic, there were christmas dinner so you could a selection of films. running for the handed one glass of wine at an average of 17 hours a day the door to have with your in the platform's small cinema, meal. That way you should be able to stop anyone hoarding it." suggests Robert Carby. a pipefitter on Claymore with a Strathclyde engineering com-Strathclyde engineering com-pany whose two weeks on one telephone switchboard, but with week off shift this year allowed only four lines its use is week off shift this year allowed only four lines its use is "Oxy's" own staff turnover on him to be home for Christmas at reserved for business, so there Claymore is less than 4 per cent Greenock. "But it doesn't really is no question of being able to a year. bother anybody; the money out here's good and you simply learn to accept it." For Robert Carby and men like him this can mean £1,000 pre-tax for the

from Alaska to Venezuela. It is Claymore was spent working Nelson who has the sole pre- just like any other. All the regative to order the abandon- men aboard do 12-hour shifts, ing of the platform in a crisis. keeping Claymore's 100,000 barand to enforce other rules set rels of oil a day flowing northfestooned with decorations, selfservice was discarded in favour

phone home with seasonal Even the crises that can crop greetings. Again, most men up in the North Sea's hostile accept the restriction philosowaters have not made Nelson

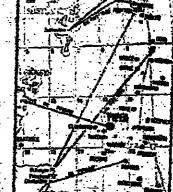
Indeed, safety is the main con-cern of the "OIM"—the Off-shore Installation Manager—in thirds that sum.

The offThe There is no shortage of can-engineer from Stoke-on-Trent the case of Claymore he is There is no shortage of can engineer from Stoke-on-Trent Chuck Nelson, a tall, rangy didates for work on the plat who has spent 44 years in the American veteran of oilfields forms even if Christmas Day on North Sea, mostly on a two

weeks on two weeks off basis. Others are not so sure. One young Scottish roustabout, working two weeks on, one week off for the past 18 months, invists that "it plays hell with the wife and bairns; it is worthwhile doa way of getting some money across the North Sea, Claymore for a house. But for me, it is the class to shutdown. The ing this for a couple of years as

That attitude is fairly widespread among the work forces of the contractors who carry out maintenance and construction over is highest. Among the would be much of a problem- shuffleboard, pool or darts. For more specialised personnel, particularly Occidental's own staff and the 64-strong team of Bawden, the platform's drilling contractor, the picture is rather different Many, like Chuck Nelson himself, are veterans of the oil business who, with their have iong since families. adjusted completely to the life. "Oxy's" own staff turnover on

phically: "The point is, my work look for a softer life elsewhere. can mean £1,000 pre-tax for the routine actually allows me to He was one of the men evacutwo-week Christmas holiday spend more useable time at ated from the storm-battered



1976, and two weeks ago, when near 100 mph winds again races waves, helicopters were unable to land—their pilots do no normally fly in winds over 60 knots—and supply vessely were unable to berth. As it was designed to do, Claymore rode the storm out. The platfers is

the "once a century" storm.

Certainly the weather was that can present problems.

VICTORIA PALACE CC. 07-828-4739-6 01-834 1317. Evgs. 7.20. Malt, Wed. and 5a: 2.45. ANNIE. Group Sales, No. othic 01-379 6081 or Freehome 2581. This work at 2.45 and 7.50.

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# Tarbank best for Newbury

AT NEWBURY this afternoon to the ranks of four-year-old (1.00). Fulke Walwyn saddles Tarbank hurdlers. in preference to the Queen Mother's Special Cargo for the Park Novices Chase (12.30).

It will be surprising and disappointing if this bay gelding by Tarqogan, who ploughed

### RACING

BY DARE WIGAN

through the mud to win by 12 lengths at Warwick just over a week ago, does not supplement that success today. I believe both he and Special Cargo have a bright future over fences. If Tarbank is a promising

steeplechaser, it would also appear that Random Leg, from Ireland, whom Josh Gifford trains for Major Derek Wigan, has Fury Boy to beat in the is a more than useful recruit Hungerford Handicap Chase

Certainly he produced a observed the commentator as

devastating spurt at Cheltenham Mrs. A. Ferris, on the rank outthree weeks ago when he sider, Irian (25-1) passed the heat Bealnablath and Stoic favourite, Twinburn, in the Yarn, both of whom had won Sweeps Handicap Hurdle at their previous race convincingly. Leopardstown vesterday. It was Random Leg looks like justify- a typical Irish result, and Mrs. Hurdle (2.30).

fully at her home, Everingham Park, near York, has sent ful, T. Quinn. In his three pre Lanarkland and Set Point south vious races Irian had been partto run in the Challow Hurdle nered by that great Irish (1.30), and the Weyhill Handi-jockey, T. Carberry. cap Chase (2.00) respectively, and I think both will go well.

Pencraig. a convincing winner in soft ground at Worcester earlier in the month,

at the following times:-

ATV

9.30 am Something Difference. 9.40
Animated Classics: Journey to the
Centre of the Earth. 10.20 Wilkie in
Winter. 10.45 Cabbages and Kings.
11.10 Lucan. 12.30 Gardening Today.
12.30 ATV Newsdesk. 5.00 ATV Today.
10.30 SOAP. 11.00 SWAT. 12.00
Count Resis

BORDER

10.00 am The Princess of Tombosa.
10.30 Film: Ski Lift to Death. 12.30 A
Christmas Two Step. 1.20 Border
News. 6.00 Lookaround Friday. 6.30
Look Who's Talking. 10.30 Master
Builders, 17.00 Film: Creature from the
Black Lagoon. 12.30-12.33 am Border
News Summary.

CHANNEL

12.30 pm University Chellenge. 1.20 Channel Lunchtime News. 6.00 Report at Siz. 6.35 Tigers from the Islands. 10.28 Channel News. 10.32 Celebrity Concert. 11.25 Tropic. 11.55 News and Weather in French.

GRAMPIAN

9.25 am First Thing. 9.30 Flintstones Christmes. 10.20 Film: "Contain Sinbad." 1.20 pm Grampian News Headlines. 5.15 The Electric Theetre. Show. 5.00 Grampian Today. 6.35 Wild, Wild World of Animels. 10.30 The Masterbuilders. 11.00 Reflections. 11.05 Police Woman. 12.00 Grampian Late Night Headlines.

GRANADA

HTV .

sprinted clear up the hill to post just in front of the co-

"Blessed is she among men."

ing favouritism in the Ramsbury Ferris the only woman rider in the race, rode superbly, being Lady Herries, who trains a altogether unflustered when small team of jumpers success challenged all the way up the finishing straight by the power-

> NEWBURY 12.30-Tarbank\*\*\*

1.00—Pencraig\* 1.30—Lanarksland 2.00—Set Point 2.30—Random Leg\*\* 3.00—Knocknagin

AMBASSADORS. CC. 01-738 1171.
Mon.-Thurs. 8.00. Frl. 8.30. Sat. 5.30
and 8.30. No perfs. from 24-29 Dec. inc.
DINSDALE LANDEN, GWEN WATFORD
DAVID BURKE. ANGELA DOWN IN
BODIES by James Saunders.

ASTORIA: CC. 01-438 8031: 01-734 4251: 01-734 4369. BEATLEMANIA. Mon. Thurs. 8.00. Fil. 531: 5.00 and 8.45. Reduced rate Group bookings 01-437 8866.

YORKSHIRE

9.30 am The Beatles. 9.45 The International Year of the Child Concert. 10.45 Mickey Mouse's 50th Birthday Party. 12.30 University Challenge. 1.20 pm Granada Reports. 6.00 Granada-Reports. 6.20 Kick Off. 10.30 Celebrity Concert. 11.25 Max Miller—The Cheekie Chapple. 12.10 Late Night Thriller. 9.30 am Flintstone Christmas. 10.20 Space 1999. 11.10 Alice in Wonderland. 12.30 pm University Challenge. 1.20 Calendar News. 6.00 Catendar. 6.35 Calendar Sport. 11.00 Vegas. 12.00 Superstar Profile.

### BBC Radio London: 1485kHz, 206m & 94.9vhf Capital Radio: 1848kHz, 194m & 85.8vhf

3 200kHz/1500m 4 1215kHz/247m & 90-92.5vh/ stereo London Broadcasting 1151kHz, 261m & 97.3vhf

(\$) Stareophonic breadcast
‡ Medium Wave
5.00 am As Radio 2. 6.00 Dave Lee
Travis, 9.00 Simon Bates, 11.31 Paul
Burnett including 12.30 pm Newsbest.
2.00 Andy Peebles, 4.31 Paul
Gambecciei including 5.30 Newsbest.
8.00 Al Matthews. 9.50 Newsbest. 10.00
The Friday Rock Show (\$), 12.00
5.00 As Radio 2.

RADIO 2

5.00 am News. 5.03 Stave Jones (S) Including 6.15 Pause for Thought. 7.32 Terry Wogsin (S) including 8.27 Recing Bullatin, 8.45 Pause for Thought. 10.03 Cofin Berry (S). 12.15 ppt Weggoners' Walk, 12.30 Pate Murray's Open House (S) including 1.45 Sports Desk, 2.15 David Hamilton (S) Including 2.45, 3.45 Sports Desk with racing rasults. 4.15 Much More Music (S) Including 4.45 Sports Desk, 5.00 News. 5.05 Waggoners' Walk, 5.20 John Dunn (S) including 5.45 Sports Desk, 6.45 Sports Desk, 7.02 Laten to Les (S). 7.30 Fiests de Dorita (S). 8.02 Pater Knight (S) conducts the BBC Radio Orchestro. 8.45 Fridey Night is Music Night (S). 9.55 Sports Desk, 10.02 Jim Macleed and His Band at the Radio 2 Balfroom. 11.02 Brian Matthew with Round Midnight, including 12.00 Midnight Newsroom: Weather: motoring information; 1.02, 2.02 Cricket: Australia v. West Indies, report, 2.03-5.00 am You and The Night and The Music (S) with Tim Gudgin, including 3.02, 4.02 Cricket.

RADIO 3

RADIO 4 News 6.10 Farming Today.

Lie Down. 1.20 pm Report West Head-lines. 1.25 Report Wales Head-lines. 6.00 Report West. 8.15 Report Wales. 8.30 Three Little Words. 10.30 Music in Camera. 11.00 Vegos. SCOTTISH 9.25 am Tarzan. 10.25 Cavern Doep.
11.10 Alice in Wanderland. 12.10 pm
Once Upon a Christmas. 12.30 The
Master Builders. 1.20 Scottish News.
5.15 University Challenge. 6.00 Scotland Today. 6.30 Talking Scots. 10.35

Encore for the Arts. 11.15 Lets Call. 11.20 Appointment With Fear: "The Werewolf." SOUTHERN

9.30 am Day Crockett, 10.20 Lost Islands: "The Treasure of Tambu." 10.45 Micky Mouse's 50th Birthday Party, 12.30 pm University Challenge, 1.20 Southern News. 6.00 Southern News. 6.10 21 Years, 10.30 21 Years, Part 2. 11.15 Southern News Extra. 11.20 Soap. 11.50 Police Surgeon. 12.15 am Weather followed by What a Way to Spend Christmas.

TYNE TEES

9.20 am The Good Word. North
East News Headlines. 9.30 A Flintstone Christmas. 10.30 Things to
Come. 12.30 pm University Chellenge.
1.20 North East News and Lookeround.
6.00 Northern Life. 6.25 Sportstime,
7.00 Play. 19.30 Dudlay Moore in Concert. 11.25 Come Out Alan Browning.
We Know You're in There.
12.05 am Phantom of Hollywood. 1.20
Epilogue.

ULSTER

9-30 am Fintstone Christmas. 10.20
Spiderman. 10.45 in Search of
11.10 Alice in Wonderland. 12.30
Thundercloud. 1.20 Uister News. 1.22
Cartoon. 6.00 Uister Talevision News.
6.05 The Mary Tyler Moore Show. 6.30
Sportscast Review. 10.30 Celebrity
Concert. 11.30 Vegss. 12.30 News.

WESTWARD 9.25 am Faith for Life. 9.30 A Flint-tone Christmas, 10.20 Chopper Squad.

stone Christmas. 10.20 Chopper Squad. 11.10 Alice in Wonderland. 12.27 Gus Honeybun's Birthdays. 12.30 University Challenge. 1.20 Westward News Heedlines. 5.00 Westward Diary. 6.35 The Weskend Show. 10.28 Westward Lete News. 10.32 Ceelbrity Concert. 11.25 Tropic. 11.50 Faith for Life. 11.55 West Country Westher and Shipping Forecast.

6.25 Shipping forecast. 5.30 Today, including 6.45 Prayer for the Day, 7.00, 3.00 Today's News. 7.30, 8.30 News. headlines. 7.46 Thought for the Day, 8.45 The Seven Cream Jugs. 9.00 News. 9.05 Desert Island Disce. 9.45 Enquire Within. 10.00 News. 10.05 From Our Own Correspondent. 10.30 Daily Service. 10.45 Little Women. 11.00 News. 11.05 You. The Jury (S), 11.50 Bird of the Week. 12.00 pm News. 12.02 You and Yours. 12.27 My Music (S). 12.55 Weather. 1.00 The World at One: News. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.02 Wamen's Hour. 3.00 News. 3.02 Listen With Mother. 3.15 Aftermoon Theatre (Si. 4.10 The Werewolf. 4.40 Announcements. 4.45 Short Story. 5.00 PM News. Magazine. 5.50 Shipping forecast. 5.55 Weather; programms news. 5.00 News. 8.30 Going Places. 7.00 News. 7.05 The Archers. 7.20 Pick of the Year (S). 8.10 Profile. 8.30 America. 9.30 Kaleidoscope. 9.59 Weather: 10.00 The Warld Tonight: News, 10.30 Quote Unquote (S). 11.00 A Book at Bedtime. 11.16 Leo Fell. Music from Viennese operetts. 12.00 am News. 12.15-12.23 Shipping forecast: Inshore

BBC Radio London 5.00 am As Radio 2. 6.30 Rush Hour. 10.03 The Robble Vincent Telephone Programms. 1.03 pm Lendon Live. 3.03 Showcase. 5.00 Lendon News Desk. 5.35 Young Musicians in Cancert. 7.03-5.00 am Join Radio 2.

London Broadcasting

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COVENT GARDEN. CC. S. 240 1066.
Gardencharge credit cards 836 59033.
THE ROYAL OPERA. Ten': 6 Mon 7.30:
DIE FLEDERMALIS' Amphi Seets avai. at all perfs! Tue 7.30 La Travista. THE
ROYAL BALLET. Tomor 7.30: Swaa Lake.
Wed 6 Thur 7.30: Cinderella. 65 Amphi
Seats avail. for all perfs. from 10 am on
day of perf.

SADLER'S WELLS THEATRE. Roseber Ave. EC1, 837 1672. Credit cards 837 3856 & 837 7505. Until Feb 16 D'O'YLY CARTE In. Gibert & Sulfivan Tonight, Tomor & Jan 2 at 2 30 & 7.33 Dec 31 at 7.30. The Pirates of Penzance Jan 3, 4 at 7.30. Idlanthe. Box office

**THEATRES** 

ALBERY. S. From 9 am. 836 3878. Credit Lands 379 6585. Group sales 379 6061. Ergs. 7.45. Thurs and Sat. 4.30 and 8.00. Oliver: George Layton. MELEN SHAPPRO MARGARET BURTON.

ALDWYCH. 5. CC. 836 6404. Into 836 5332. ROYAL SHAKESPEARE COMPANY in repertoire. Ton't 7:30. Tomor 2:00 & 7:30 Pam Gens's PIAF. With: Moss Hart and George S. Kautman's ONCE IN A LIFETIME (2 Jan). Now booking for THE GREEKS at the Aldwych from 19 Jan. RSC also at the Warehouse (see under W).

Jan. 12.

ARTS THEATRE. 01-836 2132. TOM STOPPARD'S DIRTY LINEN. Monday to Thursday 8.50. Friday and Saturday 7.60 and 9.15. NOW IN ITS FOURTH YEAR. Lowest-priced bes. 930 eta shrdm £4.00. £3.53. £1.60. plus 15p temp. members. Sat. £4.85. £3.85. £1.85.

BOULEVARD TH. at the Raymond Revus-bar. Walkers Court, Brawer Street, CC. Tel. 01-437 2661. PAUL RAYMOND PRESENTS Queen of America's sex films MARILYN CHAMBERS. Exclusive British appearance. LIVE ON STAGE. Twice nightly Mon.-Sat. 8.00 and 10.00 pm. Glosed until Dec. 31. Reodens Jan. 1.

CAMBRIDGE 01-836 6055. Credit cards accepted 01-836 7040. Mon. to Fri. 8.00. Thurs. 3.00. Sat. 5.00 and 8.30. THE HIT BROADWAY MUSICAL GREAT FAMILY ENTERTAINMENT. CHICAGO. Redozed prices for paries. 379 6061. 836 6055. Students. Nurses. OAP.

COMEDY THEATRE. CC. 01-930 2578. Mon.-Sat. 9-00. Mats. Frl. and Sat. 6-30. THE ROCKY HORROR SHOW. Group sales Box Office 01-379 5051 or Free-phane 2381. This week 6.50 & 9.00. CRITERION. 930 3215. CC bookings 379 6565. Group sales 379 6061. Evs. 8.00. Sat. 5.30 8.30. Thur. mat. 3:00. MALF-PRICE PERFS. Mon. eve. Thure, Mat. Nell Simon's Loy Excellent Market Simon's Loy Park. Loy Park. Loy Park. Loy Excellent Market Simon's Loy Park. Loy Excellent Market Montague. Georgina Hale. Bridge: Turner and Susan Engel.

OUCHESS, 01-836 8243. Mon. to. Thurq. Eves, 8.00. Fri. and Sat. 5.30 and 8.15. OH! CALCUTTAL FORTUME THEATRE S. CC. 01-836 2238.
Mon.-Thurs. Evenings 8.00. Fridsy &
Saturday 5.30 & 8.30. JOHN BARRON.
ANNETTE CROSSIE. GERALD FLOOD,
STEVEN GRIVES. CAROL HAWKIMS.
MIRIAM KARLIN SAN KENNETH
WILLIAMS IN THE UNDERTAKING.

GREENWICH THEATRE CC. 858 7755. Evenings 8.00. Mat. Sat. 2.50. SHE STOOPS TO CONQUER by Oliver Gold-smith. Children : price all perfs. HATMARKET, CC. 01-930 9832. Evenings 3.00, Wed. 2.30, Sal. 4.30 and 8.00. Geralo Hamper, Kate O'Mara in The Sherlock Holmes Mystery THE CRUCIFER OF BLOOD by Paul Glovanni.

JEANETTA COCHRANE TH. G1-242 70-10. Opens Mon. to Jan. 8 TIN PAN ALL. Reductions for Children. London's NEW Christmas mesical. KING'S HEAD. 0:-226 1916. Dinner 7.00 Show 6.00. NASHVILLE. NEW YORK Verse by Opden Nash. Devised by Rober Country.

LYRIC MAMMERSMITH, 01-741 2311.
Daily Mon-Set 2.50 & 7.30 ALADDIR
by Sandy Wilson. A brand new Christmas
musical for the whole family, specially
written for the Lyric Mammersmith

LYRIC THEATRE CC 31-432 3586 Grp Sales 379 6061, Evs 8 00. Web 3.00. Sat 5.00 and 2.00. RICHARD BRIES, PAUL EDDINGTON in MIDDLE AG SPREAD, COMEDY OF THE YEAR, WEST END THEATRE AWARDS. MAYFAIR. 629 3016 Eves 3 ALBERTO Y LOS TRIOS PARAPOLAS - NEVER MIND THE EULLOCKS. A light-bearted look at the Black Death. Group Sakes 379 6061.

MAY FAIR, 5: 31-493 2031, NOW OPEN Dally 10.30 avn-2:30-4:00 pm \$00TY\* XMAS SROW

NATIONAL THRATRE S CC 928 2252.

OLIVIER (noen stage): Ton't 7:30. Tonoc 245 & 7:29 AMADEUS ov Peter Stater.

LYTHERION (prospenium sage): Yon't 7:45. Tumor 3:00 & 7:45 WHEN WE ARE MARKHED by J B Priestler.

COTTESLOE (small augitorium): Ton't 1:00 Tomor 8:00 Inot 7:30 as in lease?

CANDLEPORD. Tomor 1:00 Lark Rise by Kelth Deshural: From Flora Tanamona's book (promepage season—all fixts Starteng, some avail on day! Excilent chean seaso from FO am day of por Oliver Lyttellon. Car park. Restaurant 923

Lyttellon. Car park. Restaurant 923

OLD VIC. 928 7616. CC bkpr. 261 1621 umtil 19 Jan.: Richard Godleen, Jan Talbot 10AD OF TOAD MALL Today Tomor 2.30 & 6.45. Max 2.30. Save the Children Gold 6.45.

PALLACHUM. CC. 01-437 7373. YUL BRYNNER IN RODGERS & HAMMER-STEINS THE KING AND I also starring VIRGINIA MCKENNA. HOTLINE— 01-437 2055 Evenings 7.50. M3: Wes. & Sat. 2.45. Eyra Matinese at 2.45 pm Today. Jan. 1. 3 & 10 & 7.

PHOENIX THEATRE, CC. 01-236 2294
Evs. 8.60 Wed. 3, 511-3,00 8,20
SUSAN HAMPSHIRE, PATRICK MOWER
2nd YEAR OF TOM STOPPARD'S
NIGHT AND DAY, Eventre by Peter
Wood, BEST PLAY OF THE YEAR,
Evening Standard Drama Award.

PICCADILLY, From 9.00 am 437 4505. CC 5ags. 836 1071. Evg. 8.00. Trurs 5.00 ams 8.00. Sat. 5.50 and 8.30 PETER BARKWORTH. HANNAH GORDON in Brian Clark's 19w play CAN YOU HEAR ME AT THE BACK? Last 8 weeks, Most end 16 Feb.

PRINCE OF WALES THEATRE 930 8691 QUEEN'S THEATRE, S. CC. 21-734 1166
Group sakes G1-379 5061 or Freebone
2389; Mon.-Frl. 8-500 Week, mat. 3-0.9
Set. 5-00 and 8-15. JULIA McKENZIE
MAUREEN LIPMAN in a comedy by
Richard Harris GUTSIDE EDGE. RICHARD HAMIS OUTSIDE EDGE.

RAYMOND REVUEBAR. CC 01.73.4 1593
A1 7.00 9.00, 11.00 pm. Opens Sun.
PAUL RAYMOND presents THE
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January 12. Mat. perts at 2.00 Extra
perts THE CINGERBERA BOOCS Samily
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Prestaurant with Reservations 405 2418.

ST. GEORGES THEATRE. 5 507 1127 NESTAURART RESERVATIONS 405 2412.
ST. GEORGES THEATRE S 507 1121.
EVEN 750. THE STATE S 100 PCT.
NEW 750. THE STATE S 100 PCT.
3 to 5 JULIUS CAESAR. From Jan. 15
at 7.00. Subs. Evos. 5.00. Sat. Mats.
5.00. ENJ Male. John Quento ... DN
APPROVAL. Frederick Londale's
famous comedy. 24 hoer big.

EVER MUN. 28th YEAR SAVOY THEATRE, 01-836 8588. Credit Cards, 01-734 4772. LESLIE PHILLIPS, IUNE WHITFIELD SYLVIA SYMS and ANDREW SACHS, NOT NOW DARLING, Mon.-Thurs. 8.00, Fri. and Sat. S.45 and 8.45. Reduced price mats on Findays 8.45. Reduced price mats on Findays 12856 and 4. Group bookings 01-438 STRAND, 01-835 2660. Evening 8.80. Mat. Thurs. 3.00. Sat. 5 30 and 8.30. LONGEST-RUNNING COMEDY IN THE WORLD. MO SEX PLEASE—WE'RE WORLD. MO SEX PLEASE—WE'RE GOOD SEATS AVAILABLE 11.50 to 15.50. Credit Cards 01-835 4143. Group saids 379 6061 or Freephone 2381.

CITCUL Tubel 01-329 1527
1: Anthony Oung CARAVAMS (A2 Frost 12.5) 1 20 8 32 3.05.
2: Peter 5 Toole ZULU DAWN (A) Prost 1 05 3.15 8.40 5 05.
3: Sean Connert METEOR (A) Prost 1 CO. 2.50. 5.25. 5 CC. CLASSIC POLY. OXFORD CIRCUS Upper Regent Street, 637 9863. Burt Lancaster ZULU DAWN (A) Progs. 2.40 \$15. 7.55. 7.55.
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1: Acthory Quan CARAVANS (A). Progs
2: 0.5.50.8.00.
2: METEOR (A) Progs. 1.30. 3.45. 6.00.
2: I.5. 2: Nestern Aller Manhattan (AA).

3: Wood Aller Manhattan (AA).

7: 7: 50. 7: 50. 4.50. 6. CLASSIC. Leitester Square. 930 6915 GOLDEN LADY IX. FLESH GORGON IX. Progs. 12.50 2.25 4.05 7.20. CURZON. Curzon Street. W1 499 3737. LEE REMICK IN THE EUROPEANS (U1. Progs. 2.00 tend Sun. 4.00, 6.20, 8.40. GUEON. MAYMARKET (930 2738)2771. RICH KIDS (4A). Sep. peris Wiss. 2.15 5.20, 8.15. Sun. 4.30 7.45. S.20. 8-15. Sum. 4-30 7-45.

ODEON. LETCESTER SQUARE 1920 6-111
THE ELACK HOLE 14. Sep. progs. Div.
Drs. Open 1.15 4.30 7-45. Special Sat.
Hommy Show 10.00 am Late Night
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11.15 an. All scals portable at Boy
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YANKS 1-4A. Sep seris Sun. Fri. Drs
open 3-15 7.00. Sat. Drs. open 1.00.
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om. Evening open and Weekends bookable in advance able in advance

PPINCE CHARLES, Leg.: Sc. 437 8181.

World Premiere Presentation SCUM (XL
Sen Peris Civ. disc. Sen.) 2.45. 5.55.

8.35. Late Show Fri & Sat. 11.15.

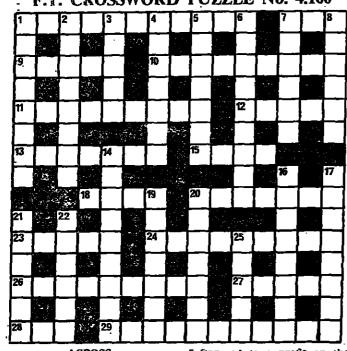
Seats Bible Led. Bar SCENE -, Leic. Sq. FWardow St.1 439 4470. ALIEN (X). Progs. 1.05. 3.35 6.00. 9.30. Late Show Fri. 6 52t. 10.55 STUDIO 1 & 4. Oatord Circus. 437 3300.
Lors Bar 1: THE BEER HUNTER (X.)
12.45 2.05 7.30 1:e Show Set. 10.50
2: APOCALYPSE MOW (X.) Sep. Peris
Div. 1.25 4.50 8.00 Late Show Set.
11.10. Scals Bible.

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**ACROSS** 

1 Skip country of origin of beauty queen (4, 7) 7 Strike back at standard (3) 9 Mark has fresh start for

10 A section intended, we hear,

standard affoat (3, 6) standard affort (3, 6)

12 Shade turns out to be one 17 Part of church making strange patterns (8) 13 Stranded youth setting a 19 Fell and grasped what meanreturning for example (5) happy standard (7)

for the flat (9)

18 Verbal dexterity outside right finds in summons (4)

20 Book reviewer in company is all ears (7) 23 It's used for evening form of transport (5)

24 Trader who doesn't go to extremes (9) 26 Winning everything during big fight (5, 4) 27 Make up an accent (5)

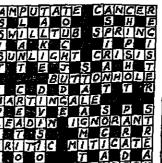
28 Draw a bond (3) 29 Part of Yorshire by custom making horsy clothes (6, 5) DOWN

1 Don't rely on fog and corrosion (8) 2 Rank of deputy German

leader (8) 3 The Spanish part of fish is small and mischievously 4 Down to earth attraction (7) 5 Opposed to a profit on the

ing there was (7)

controlling flow of liquor (6) 22 Tasty morsel accountant gets on back of neck (6) 25 Hound controller with the



8.05 Penmarric.

Laurence Michael Caine.

London and the South
East).

6.00 Up a Gum Tree.

6.30 "A Funny Thing Happened On The Way To The Forum," film, starring Zero Mostel and Phil Silvers.

8.05 England—5.50-6.00 pm Regional South Fast). Tom and Jerry (London And Series London and South Fast). Tom and Jerry (London Regional Regiona

9.15 "Sleuth," film, starring Close.

10.00 am What a Mess. 10.05 Jackanory. 10.20 Captain Cave-man, 10.30 Why Don't You . . .? 10.55 Magic Roundabout 11.00° Zorro, 11.20 Mickey Mouse Club. 11.55 Greatest Heroes of the Bible, 12.45 pm News, 1.00 The Queen in Arabia, 1.50 Camber 11.29 News.

Film. 3.53 Regional News for England (except London). 3.55 Play School. As BBC2 11.00 am. F.T. CROSSWORD PUZZLE No. 4.160

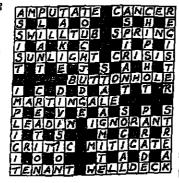
> tax a vault (4, 5) 7 Almost exact summary (6) (6) hotel worker (9)

6 In which one is obliged to

way (7)

belly! (7)

French hard wood (5) Solution to Puzzle No. 4.159



Olivier and 11.30 The Best of Dean Martin. 12.35-12.40 am Weather.

preventing a pain in the neck 8 Split on female for choice 14 Stop offer being made to 11 Officer blushing to reach 16 A vault round doctor with deadly weapon (4, 4)

15 Solicitor in East-end dis- 20 Last word about a divine hachelor with nothing on his 21 Odds one obtained for Peg

Solution to Puzze No. 9.13.

AMPUTATE GANCER
S L A O S H E
SMILLTUB SPRING
I A K C I P I
SUNLIGHT GRUSIS
T T E T S A H T
BUTTOMPOLE

4.20 Maxidog. 4.25 Jackanory.
4.40 Jack and the Beanstalk. 5.35
Ivor the Engine.
5.40 News.
5.50 Regional news (except London and the South London and the South Scotland—5.50-6.00 pm Scotlish 11.00 Vegas.
12.00 George Hamilton IV.
12.25 am Christmas Pie.
All IBA regions as London except Scotland—5.50-6.00 pm Scottish News. 12.35 am Weather.

and South East only). 12.40 am BBC 2 11.00 am Play School visits Portsonachan, Scotland. 4.25 pm Film: "Moby Dick,"

starring Gregory Peck.
6.15 Lieutenant Kije with
music by Prokofiev.
6.30 The Light Princess. 7.35 News

8.15 Kate Rush. 9.00 Not the Least of the Nine O'Clock News. 9.35 The Bobby Bare Music 10,20 News.

7.50 In The County.

10.35 The Man You Loved to Hate: portrait of Erich von Strobeim. 12.05 am Something Else. 12.45 Music at Night. LONDON 9.30 am The Search for the Persian Royal Road, 10.20 The

Invasion of Johnson County, 11.55 The Bubblies, 12.00 Song Book. 12.10 pm Once Upon a Time, 12.30 Thundercloud, 1.00 News, plus FT Index. 1.20 Thames News. 1.30 Crown Court. 2.60 The Winds of Kitty Hawk. 3.45 Aladdin. 4.45 Magnie. 5.15 The Solid Gold Top

5.45 News. 6.00 Thames News. 6.30 Thames Sport. 7.00 The Muppet Show. The Man in the Iron

9,35 am Kum Kum. 10.00 Survival. 10,30 Cash and Company. 11.25 Stars on Ice. 11,50 Ginger Nutt's Christmas Circus. 12,30 Miles Mactaggart Won't Mask." film, 10.00 News. Radio Wavelengths

1053kHz/285m 1089kHz/275m 693kHz/433m RADIO 1

RADIO 2

RADIO 3

6.55 sm Westher. 7.00 News. 7.05
Overture (S) Concert, part 1: Wagner, Hummel, Mozarr (Mono). 8.00 News. 8.05 Concert, part 2: Chopin, Copland; records. 9.00 News. 9.05 This Week's Composer: Tchaikovsky (S) on records; 10.00 Young Artists Recited (S) Amon, Schubert, Bozza, Grace Williams. 10.56
BBC Northern Ireland Orchestra (S) Concert: Johann Strauss, Menotti, Falla, Ibert. 11.40 Sonatas by Solar and Scarlatti (S) Concert. 12.25 pm BBC Northern Symphony Orchestra (S) Concert. part 1: Haydn. 1.00 News. 1.05 BBC Northern SO (S) part 2: Bruckner. 2.05 The Arts Worldwide. 2.25 Children Play and Sing (S). 2.55 Music for Four Planista (S) by Milhaud, Moszkowski, Dani, Fumagalli. 3.45 Der Golent (S) Bellet in one act by Francis Burt. 4.25 Comparing Notes (S) All Our Yesterdays' arrangements of Beatles tunes: records. 5.25 Homeward Bound (S) Including 5.45-5.90 News. 6.15 At Home (S) The Music Goes Oz. 7.10 One-Pair of Ears. 7.20 Violin and Plano (S) part 1. 8.00 Attles and the Labour Leadership. 8.20 Violin and Plano (S) part 2. 9.15 The Living Post. 10.00 Sacred and Protane (S). 10.40 Interval Reading. 10.45 Concert, part 2: Britten. 11.25 Herbert Von Karajan conducts Straues: records (1947). 11.55 News. 12.00-2.00 sm Test March Speciel. Australie v. West Indies.

Viennese operetta. 12.00 am New 12.15-12-23 Shipping forecast: Inshor 12 00 am News

6.00 sm AM with Bob Holness and Dauglas Cameton. 10.00 The Brian Hayes Show. 11.00 LBC Reports with Max Miller and Alan Clark. 3.00 pm George Gale's 3 O'clock Call. 4.00 LBC Reports, 8.00 After Eight. 9.00 Nighther. 12.00 LBC Reports 7.00 am

EUM. Credit cards 240 reations 336 3161 EN 10NAL OPERA Torostot & 7.30 A Night in Vence. Too 7,30; Julius Caesar, 104 b 2 avail from 10 am on day of

ROYAL FESTIVAL HALL 01-928 3191
EVES 7.30. Mais to Jan 5 & Jan 12 at 3
LONDON FESTIVAL BALLET in Spec-tacular Broan of Tchalkorsky's THE NUTCRACKER, Today: Ascesso, John Long, Tonight Terabust, Bart & Hav-

ADELPHI. CC S. 01-836 7611. MY FAIR LADY. Evgs. 3: 7.30. Sat. 4.00 and 7.45. Mats. Thursdays at 3.00. Tony BRITTON. LIZ. ROBERTSON. PETER BAYLISS and ANNA NEAGLE IN THE WORLD'S GREATEST MUSICAL MY FAIR LADY. Book now Thepure & Avents New Credit Card Hothine 01-836 7358.

APOLLO THEATRE. CC. 01-437 2663. Eves. 8.00. Sats. 5.00 and 8.00. Mars. Thur, 3.00. IAN LAVENDER. TERRED. EDMOND. JULIA FOSTER IN HAPPY BIRTHDAY. Last 3 weeks—must end

standby £1.50.

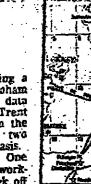
COLLEGIATE THEATRE 01-387 9629.

THE MAGIC CIRCLE SHOW featuring
Zee and Co. with scorpio, the LIVE
Jecobard! Book now. Dec. 31. 2.30 and
5.30. Jan. 1-5 3.00 and 7.30.

DRURY LANE. CC 5. D1-835 8108.
Eves. 8,00. Mats. Wed. 330. Sat. 5.45.
8.45 CAROL CHANNING in "RELIAD
DOLLY!" Seats £2-58. GROUP 800KINGS 91-734. 2293. Special prices
students and OAPs.

GARRICK, CC. 91-838 4501. Eves. 8.00 Ishard Wed. 5.00. Set. 5.30 and 5.00. GARETH HUNT-ID DEATHTRAP, Today & Temor 5.30 & 6.30. GLOBE THEATRE, CC. 01-437 1592
Evgs. 8.00, Mat. Wed. 3.00. Sat. 5.00
and 8.50, ANTON RODGERS, GEMMA
CRAVEN, DIANE LANGTON, ANDREW
C. WADSWORTH, DAVID HEALEY,
SONGBOOK, Gyer 100 Performances.

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Evol. 8.00. Week and Satt. 3.00 and 8.00
NICKY MENSON. TERENCE FRISEY.
JOSEPHINE TEWSON. ANDREW
ROBERTSON AND DORA BRYAN IN
ROOKERY NOOK The Discloss face by
BEN TRAYERS. Directed by FRANK
DUNLOP. Children half once mate.
Group Sales 01-379 6061 or Freephone
2381.



designed to withstand hammering from winds o 114 mph and waves up 160 mph-criteria deemed as

not the main thing worrying the men going on shift on Christmas Day. The work is hard, the hours long and the desire to sleep afterwards "Obviously they can't keep that sort of menu going for 24 hours." observes Robert Care. Last year I slept through the

whole lot. In the end. Christmas dinner for me was a bowl of bloody

ENTERTAINMENT GUIDE

PALACE, CC 01-27 6834, Mon. Thurs. 8.00. Fri., Sat. 6.00, 8.40. SESUS CHRIST SUPERSTAR by The Rice 4-3 Andrew Ligad-Webber. Group tales 01.379 6061 or Freenhome 2381.

PRINCE EDWARD. CC. 01-437 5877 Eys. 8.00. Mats. Thur. & Sat at 3.00. EVITA by Tim Rice and Andrew Lloyd-Webber. Directed by Harold Prince.

ST. MARTINS. Credit Cards. 836 1443. FUG. 8.00. Tue. 2-45. 5.15. 5.00 & 8.00. AGATHA CHRISTIE'S THE MOUSETRAP WORLD'S LONGEST-EVER RUN. 23th YEAR.

2nd JANUARY, 1980

19.50

23.00

17.00

14.00

15.00

6.00

6.00

- 19.50· 6.00

هكذامن المحما

Cinema

# Spaced out in Vietnam by NIGEL ANDREWS

monsters, Superman, nuclear disasters, sharks, Joan Collins, rabbits. Mods and Rockers, hobbits, space, more space, James Bond, more space.

seeing stars the whole time are They are seeing stars the whole force-feeding us Outer Space ness of its own world. from January to December. Interweaved with two masterpieces about Vietnam, it has been an interstellar year. Space been a year of unprecedented has been big at the box-office, and gross-hungry producers eyeing also the success of The Deer the Alien or Jaws 2 from their Hunter and Apoculypse Now necks than a dozen vampires cannot take long before they hit on the magic formula for 1980: over jugular-duty. I lost count

Ah, but it has already, in a clothing. sense, happened. Alien, the Herzog's Nosferatu, repolishing most successful "original" the rodent fangs of Murnau's creation in the movie year 1922 silent-horror classic; there (Moonraker, Superman and was suave Frank Langelia walk-Jaws 2 all grossed more money ing through the well-upholstered but were all derivative from Dracula of John Badham; and eminent forerunners), hit on there was George Hamilton the bright idea of transposing taking the Transylvanian mickey

Vampires. Vietnam, space guerrilla warfare to Outer in Love at First Bite. Space. All the nightmares of Vietnam engagement-of sudden ambush, of superior tech- Down, or Richard "Jaws" Kiel, nology and manpower outwitted Sond, more space. by stealth and camouflage— Moonraker, or those incisive Filmgoers who think they are unreeled aboard the spaceship fish in Piranha, or the fire-" Nostromo " as its seven advennot suffering from concussion. turers from the Western world dealt with a native menace jabtime. The year 1979 has been bing and biting from the dark-

A propos of teeth, those prime weapons in unconventional, "surprise" warfare, 1979 has dental fixation. No sooner have filmgoers unfixed the incisors of swoop down on them and take the first movie to meld Vietnam of the number of movies devoted and Space. to a return visit from Bram Foolish, you say? Facetious? Stoker's parasite in Byronic There was Werner the rodent fangs of Murnau's

Nor should you forget the toothsome rabbits in Watership the steel-toothed hit-man of breathing, ivory-fortressed jaws of Pete's Dragon.

Is there a moral in all this, or am I just wandering? I suggest there is a moral and that few leitmotifs in popular iconography are purely accidental. Ever since Jours raised the dreadful, mythological spectre of castration — and worse-underwater (note the similarity of the neck-high-inwater with water-rats scenes in The Deer Hunter), teeth have "in" as a terror formula in movies. (They even provided the grand guignol centre-piece of John Schlesinger's Marathon Teeth are the deadly weapons that flash out and snap from quiet concealment. As such they're remarkably handy symbols for an age of terrorism, kidnapping and guerrilla war-ware, when the Great Powers are unmanned by the Small Sniper, and when subtle Davids are outwitting stolid Goliaths at every Certainly there has never been

such an alarmist, scare-easy, tremor-prone cinema as in recent months. Suddenly disaster movies, for example, which seemed only a year ago to have run their course, have stormed back into the movie conscious ness, hurling Alarums and Excursions at us from all quarters: Beyond the Poseidon Adventure, Airport '80, Meteor. It's as if the catharsis of the disaster genre had been dis-carded before it had worked its. cure, and suddenly the ailing patient realises he needs another

Meanwhile Space, that Great Unknown that both beckons and terrifies, appeals and appals, works its schizophrenic spell on cinema audiences. The next decade will tell us whether, in Variety magazine's immortal coinage, Space has "legs"—i.e. staying power—as a cinematic attraction. But the 1970s have gone out with a flurry of inter-stellar movies and 1980 promises us further such in Saturn 3, Star Wars Part Two. Flash Gordon and a fistful of other galactic junkets. Quantity having upstaged quality in the recent Sci-Fi pro-

Space doesn't feature largely in my Ten Best Films of 1979. But Vietnam does, and both the war epics cited above are included. Although The Deer Hunter seems to me to have the edge on Apocalypse Now, they're both monumental achievements, stacked high with imagination and echoing to more original ideas about war, America and the human spirit than may be found in all the rest of the decade's Vietnam output put together.

Alien, Eagle's Wing and Quadrophenia also feature in the charts, waving a threefold flag for British cinema. The first was the year's niftiest Film Festival: Eric Rohmer's spine-chiller, directed in Britain exquisite movie-ballad Percival by our very own Ridley Scott; the second was a rhapsodically offbeat Western directed by Britain's Anthony Harvey and film of the year. Please will backed by-of all bitherto sciatic organisations - Rank; the third was Franc Roddam's raw and funny chunk of British social history, hymn- them as the opening double-bill. ing the bygone days of Mods and

corners of the globe, which came and went with far less ceremony than they should, were Philippe Mora's Mad Dog

Jamaica. Mora's harsh, bleedingtableau recreation of the life of "Mad Dog" Morgan was a maligned precursor of the Australian New Wave that turned out, on belated inspection, to be

far better than most of the

films that that "wave" produced. Rockers, a loose, loopy,

hilarious reggae film from the

Caribbean, wins my Best Musical award for 1979. I have also smuggled into my list two films from the London and Tsui Hark's The Butterfly Murders from Hong Kong, the best and craziest "adventure" some British distributor show either or both? If not, plans will be going ahead to found my own cinema, where I shall showcase

And finally Breaking Away. I wrote about this last week, and Two curios from far-flung what more is there to say? It's pure enchantment at 24 framesper-second, and you should be booking now for a seat at the

Here then is the full roll-call,

Balafoukos's Rockers from strictly in order of preference: submarine base). Mercenary in its loopiness. Indeed if one The Deer Hunter Breaking Away Percival Eagle's Wing Mad Dog

Apocalypse Now

Rockers

Alien

Quadrophenia The Butterfly Murders The last two films of 1979 are Bear Island (A. Leicester quare Theatre), and Carorons (A. Classics Haymarket and Oxford Street). In a pantheon of the year's silliest movies

both, I think, would stand a

chance of qualifying. Bear Island is Alistair McLean's sortie into the frozen North. A star-studded party of UN scientists, led by Richard Widmark, Donald Sutherland and Vanessa Redgrave, land on an Arctic island to investigate shady doings by the Russians. who appear to be sabotaging world weather conditions. But it is not long before mettle more attractive diverts the party's attention, namely, a cache of gold hidden in an abandoned German U-Boat. (The island used to be a Nazi

the icy ping of gunshots and the contortions of Vanessa Redgrave's Norwegian accent. Miss Redgrave steals the film.

drous essay in Scandinavian phonetics. (Has she been slaving over a hot Linguaphone record?) Her never-say-die determination to call Mr. Sutherland, who plays Frank, "Frahnk" doubtless accounts for his air of bearded distrac-Alistair and elsewhere her tendency to studying the Swedish chef on the Muppet Show makes it no Don Sharp directs the action

Cararans is just as egregious Gary Cooper.

rivalries flare, and soon the disregarded the fact that snow snowy wastes echo to the rev- has here been exchanged for ving of snowmobiles, the ex- sand, and Vanessa Redgrave for changing of blows and curses. Anthony Quinn, it all seems the icy ping of gunshots and the part of the continuing woof of big-screen escapist inanity.

Mr. Quinn is the bread-winning Bedouin dromedarying across the desert, while Jennifer if not the gold, with her won-O'Neil is the rich American girl who camp-follows him and his tribe over the desert, for reasons that I could not readily determine. Nor did I understand why Michael Sarrazin, as a U.S. civil servant out East, took so long to find her and then when tion during most of the film, he did find her why instead of extracting her he started campsing-song her role as if under- following the nomads. The siren attraction of these hirsute and laconic surprise that disbelief in her obviously be fatal but it eluded in particular and the movie in mc. I prefer to cherish, and to general is seldom suspended, refer the reader to, the last set-pieces with dash and pro-in which Marlene Dietrich kicks fessionalism—an avalanche. a off her high heels and strides falling radio-mast, a boat chase into the desert, grabbing a con--but the dialogue and per-venient goat and joining the formances (not only Miss Red-departing tribal ladies. That, at grave's) are stretly Amateur least, had style, and Dietrich, at Night at the Essimo Rep. least, was following love and least, was following love and



Scene from ' Caraya

New York Theatre

# California comes to Broadway's aid

by FRANK LIPSIUS

Talk of bad timing: the last West-Coast cousin exact to Terry Curtis Fox. The clever roadway opening of the rescue his high minded and banter of young lawyers whiles ecade, a Black American poorer East-Coast relations? away the time between twists of Broadway opening decade, a Black American poorer East-Coast relations? away the time between tweetion of A Christmas Tune in next decade for the plot, which do come to an Carol, is set to disco musical asswer, but meantime take ing and surprising end. and arrived four days before Christmas. But "Comin Up-town," as the hybrid is called. does convey a lively spirit of season that, with the performance of Gregory Hines as Scrooge, deserves a better fate than and most popular side of Broadtiming alone should dictate Even its gaudiness, which at times resembles a Las Vegas extravaganza, manages to fit the theme of a miser who takes from the poor and gives to himvictimising the whole Black community along with Mr. Cratchit, Gary Sherman's music, far from being just disco. covers the gamut of popular Black music from spirituals to rock 'n' roll, and with Michael Peters's choreography, makes the long "Lifeline" dance num-ber imo a history of Black popular idioms through the century. Philip Rose's direction combines a superb eye for detail (abetted here by Ann Emont's impeccable costumes) with ability to blend a serious theme into the

Among the play's producers are Columbia Pictures, one example of a recent trend for companies to reduce the cost of buying film rights by putting up the money for the Broadway production. No doubt Broadway production. No doubt Guild under Craig Anderson "Annie" which cost Hollywood supplied numerous Broadway about \$10m for the screen rights. convinced the film moguls to dramas, which were shown first take a chance earlier in the show's life, to save money later middle of a public subsidy on. Broadway successes like Best Little Whorehouse in Texas were financed this way, as was an off Line as his Broadway sell-out Broadway failure this season. that subsidises the Public a musical version of Kurt Von-Theatre, Papp's brave success negut's novel God Bless You, Mr. Rosewater. A popular writer who has a taste for the unconventional. Vonnegut gave the stage rights to the novel to his daughter. Edith, one of the producers credited besides Warner Bros. If there is a danger in film companies' predatory interest in legitimate theatre, it is shown here where one might surmise a film will eventually be made whatever the condition of the play. This one seems hastily put Mamet, Sam Shepard, and together, with a tiered stage Thomas Babe are three of the built for some reason as the more successful writers who office of The Rosewater Founda- thrive off-Broadway, keeping tion, undistinguished songs that active for their own benefit-and are screamed at the audience, and choreography that at times latest play. Salt Lake City Skyand choreography that at times resembles the knee exercises

book he wrote with the lyricist,

Peter Udell.

et rates

ning up stadium steps.

football players do when run-

money tends to be spent on musicals, the most expensive way has found itself a Daddy Warbucks with a head, if not a heart, of gold.

If we can expect musicals in future to arrive in pre-filming condition, it should be noted that Sweeney Todd, Stephen Sondheim's latest musical, had till garnering Tony awards for barrassing gaps in unexcepits excellent production and cast tional conversation caused by led by Angela Lansbury and Len Cariou). So musicals enter costs, while dramatic theatre can take comfort only in knowing that it survived the 70s. somehow, without the once standard ritual of moneymaking but risky pre-Broadway tryouts along the East Coast. Instead, producers came to look for Broadway material in New York's own off- and off-off Broadway houses. The Hudson houses with long-running in the Guild's small hall in the housing project. Joseph Papp exchanged Hair for A Chorus in repertory theatre. For the foreseeable future, the health of Broadway will depend on the health of off-Broadway. a that the most diagnosis squeamish doctor would at the minute not be afraid to tell his

worried patient. Off-Broadway took shape this decade as a viable alternative to Broadway where numerous notable playwrights did most if not all of their work. David line, about the trial of radical 1930's unionist Joe Hill, will soon have its premier at the

plot, which do come to an amusneed for Broadway as a con-tinuing source of inspiration—and, because film corporation—attests to a new level. tion, and money, being spent on producing off-off Broadway

David Mamet directed his own set of three plays, known collectively as Reunion-at the Circle Rep. Mamet, who only rarely writes about families has arrangements that prove much less fruitful than his studies of man at work and play. There. an inauspicious start as a record-breaking \$1\mathred{m} m production with and all the more interestingly: the personal obtrudes obliquely more operatic than popular. It of Michael Higgins and Lindsay tottered to the edge of closing till garnering Tony append for

too much baring of the soul. Sam Shepard's Buried Child. the new decade with a means of which won the Pulitzer Prize as weathering the tide of rising best American play last year, is enjoying a long off broadway run, outlasting the playwright's Seduced, which is a rambling version of the Howard Hughes myth of rich man with an aversion to touching anything. Shepard is now working on a project at the Public Theatre of Music, Poetry and Dialogue. Another playwright of the

same calibre with a more varied history, having started in London writing lunchtime fringe plays and more recently the the screenplay to Hair, is enjoying a long off-Broadway run of his latest play, Loose Ends. Working closely with director Alan Schneider, writer Michael Weller has fashioned a history of his generation starting on a beach in Bali in 1970 and ending in 1978 in a New York penthouse with a view of Williams's Class Enemy as Central Park. Weller's extra- imported to off-Broadway. The ordinary ear for dialogue mixes audience may learn more about extremely well with plots that a London Comprehensive School include momentous events, but ultimately seem to be cajoled along by the rhythms of time. of the setting under Tony Kevin Kline and Roxanne Hart Tanner's direction intensifies make an attractive couple for

charts the course of the 70s. Despite lingering fears for its health. off-Broadway has had some startling evidence of prosperity, like the Manhattan sent Heathcote Williams's The Theatre Club's star-studded pro-duction of John Halpern's Jane Alexander and Shirley give the interview-style work Knight in the main roles and Tony Roberts in the supporting Film companies' investing in Public, where he has just cast. The high calibre production of the legitimate stage. Justice, a play written by considering the disappointing But what price will the rich Village Voice drama critic, quality of the play, which

merely promoted in turn all the three Stoppard works to appear possible sexual combinations this year in New York. Every among two women and two men, Good Boy Descrees Favour had among two women and two men, accompanied by a lot of vituperation, instead of music, in the change of partners . Earlier in the season Irene

Beckett's "Happy Days," directed by Andrei Serban. The Beckett's director has acquired a taste for beautiful sets, which here glow pink in the chirping optimism of Winnie's constant chatter, but thereby fail to reflect the menace against which, waistthree different father-daughter high and immobilised in the earth, she is cheering herself up. Miss Worth gives Winnie a matronly dignity that makes the trivia she concentrates on shine at first with optimism and increasingly with a sadness that never quite reaches despair.

> Celeste Holm, who was the original Ado Annie in Oklahoma in 1943 and became as venerated a part of American musical comedy as the dancing, recently took over the off-off Broadway Harold Clurman Theatre to perform a one-hander about Janet Flanner. Adapted and directed by Paul Shyre, the production fails to capture the quality of writing Flanner contributed to the New Yorker as their Paris correspondent for 50 years. Having extracted most of the autobiographical material from dispatches that were rarely autobiographical, the reminiscence deteriorates into name dropping self-absorption, unrelieved by the intrusion of an unexplained but obviously upsetting phone call and subsequent parting note from an un-

named friend. A half-American, half-English cast skilfully carry off the verbal pyrotechnics of Nigel than they thought they wanted to know, but the claustrophobia the conflict among the excellent the pair whose relationship cast led by Maxwell Caulfield as Iron and Bruce Wall as Sky-Light. The British company, Mental Guerrillas, settled into Immoralist, a disconcertinely dry and derivative expostulation more conviction than it deserves, while another import.
Tom Stoppard's Dog Hamlet. houses as so much real estate to insure their futures. Broadway Cahoot's Macbeth, done by Ed will end the coming decade Berman's new British-American quite differently from how it Repertory Company, was one of began.

an American cast in a limited run at the Metropolitan Opera House, while Night and Day opened recently on Broadway Worth played Winnie in the Public Theatre's production of ing role.

While waiting for a major new repertory company headed by London director David Jones to open its season in 1980, the Brooklyn Academy of Music has enjoyed the less prosperous but admirably ambitious work of the Dodger Theatre, a makeshift group that has done a stark, hard-bitten version of Wrozek's Emigrees and a holiday musical cartoon by Jeff Wanshel called Holerille. The musical combines gratuitous violence, repetitious dialogue and silly songs with an excellent production directed by Des Meanuff, a stunning set by Heidi Landesman imitating an American mobile home, and supercharged energetic acting from a cast that includes Don Scardino, Philip Casnoff, Deborah Rush and John Bottoms. As elsewhere, the production gives more to the play than it does 10 them.

The optimism with which the theatre faces the 1980s need not ie curbed even by the current disappointing dependence on musical revivals. They seem to be a way to get through hard times when expensive tickets to unfamiliar or experimental plays will just not sell. The uniformly high quality of productions promises at least to maintain the integrity of the original works where they are not in fact enhanced.

If Broadway has found itself

a way to wait for better times, it need now worry only about Broadway as a large underdeveloped parcel of real estate. The two most recently built Broadway theatres, the Minskoff and Uris, are huge, requiring smash hits to support themselves. A projected hotel construction threatens the destruction of two other Broadway houses, and that may well be the start of a whole redevolopment effort that, in promising the reconstruction of destroyed theatres, will replace graceful birds with imposing cranes. To assume theatre owners would not allow basely motivated transfigurations is naive: they already take fewer risks than they used Losing Time directed by Edwin on the supernatural. Andrew to by bringing plays from off-Sherin. The production boasts Dallmeyer and Neil Cunningham Broadway instead of from their own out-of-town tryouts. If the next step is to accept their art houses as so much real estate to

### COMPANY NOTICES

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OLYMPUS OPTICAL COMPANY, LTD.

**CAPITALISATION ISSUE 1979** 

S. G WARBURG & CO. LTD., as Depositary, hereby gives notice that the Board of Directors at a Meeting held on 6th October, 1979, revolved to create and issue 9,222,881 new fully paid shares of Yen 50 cach, as of 1st November, 1979.

These shares will be allotted to Shareholders registered on the books of the Company as at 3 p.m. (Tokyo Time) on 31st October, 1979, in the ratio of one new share for overy ten shares already held by teem Fractions will be sold and the proceeds paid in cash to Shareholders in proportion to their entitlement.

The new shares issued by way of this bonut issue will be entitled to any dividend that may be declared for the 6 months period ending 30th April, 1980.

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Temporary Receipts will be issued for exchange into new Beiter Depositary Receipts in January, 1980.

S. G. WARBURG & CO LTD. 28th Docember, 1979

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Notice is hereby given to bondholders of the above loan that the amount redeemable on February 15, 1980 i.e. U.S.\$500,000 was bought in the market.
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The Principal Paying Agent KREDIETBANK S.A. Luxembourgeoise

December 28, 1979

Luxembourg

REPUBLIC OF SOUTH AFRICA US\$25,000,000 Loan 8% 72-75-87 Redemption due on February 1st, 1990, for which a nominal of US\$2,000,000 is provided, has been met entirely by purchases in the market.
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All persent having claims against the Company are requested to lodge a detailed statement of the same within ten days of the date of this Notice to the liquidator, Richard John Pirouet, and all persons indebted to the Company are requested to settle with the sall industator within the same period. RICHARD JOHN PIRÖUET Liquidator.

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# **FINANCIAL TIMES**

BRACKEN HOUSE, CANNON STREET, LONDON ECAP 4BY Telegrams: Finantimo, London PS4, Telex: 8954871, 883897

Friday December 28 1979

# A market test for Inmos

Enterprise Board, yesterday launched by U.S.-owned com-announced that its first UK pro-duction unit would be based at that the continuation of Immos already-established design centre and will be concerned with the volume manufacture of micro-computer products; production is due to start in 1982.

The timing of the announce-ment is rather odd, since construction of the UK plant is dependent on a decision by the Government to provide Inmos with a second tranche of £25m of taxpayers' funds; the first £25m was provided by the Labour Government in mid-1978. The managers of Inmos presumably felt able to announce the choice of location because they are confident that the additional £25m will be forthcoming very soon. Yet it is not surprising that the Government is taking some time to reach a decision: the future of Inmos presents Sir Keith Joseph, Secretary for Industry. with a more difficult set of political and technical issues than, for example, the funding

Inmos is the creation of a group of scientists and engineers who believe they can make a ducing integrated circuits and related products—the famous micro-chips" whose pervasive impact on the electronics indus-try and on a host of other manuknown. The NEB under its previous management decided to Inmos because it thought that the UK needed dependence on imports from the U.S. or elsewhere would, it was felt, have a damaging effect on the manufacturers of the products and systems in which integrated circuits play a key role. It was also argued that the UK, unlike the U.S., did not have adequate sources of ven-ture capital which could finance high-risk, high-technology pro-

NEB was created to fill. seem less strong when other

INMOS, THE Anglo-American the mass-production of intesemi-conductor company which grated circuits in the UK. Several projects have also been Bristol. The plant will be sited is a vital national interest the company's comparable say, to the preservation of Rolls-Royce in the world league of aero-engine | September is builders. It is an entrepre-neurial venture which, if successful, could bring useful benefits to the UK economy, but it can and must be judged on its commercial merits. If the Government is to go on support-ing it, Sir Keith Joseph will have to convince himself that this is a temporary bridging operation made necessary by the deficiencies of the UK capital market and that the ownership and financing of Inmos can ultimately be trans-

ferred to the private sector. There are, however, several difficulties about this. It is hard to think of an industry less suitable for public-sector involvement and ownership than integrated circuits. It is a fastmoving and unpredictable technology, with a high failure rate among new companies. The American venture capitalist can decide to support a budding entrepreneur on his own hunch. He is answerable to no one but himself, Equally, he can cut his losses quickly if the project turns sour. The NEB is answerable to the Government and the

### Withdrawal

Furthermore it is far from certain there is an "equity gap" in the sense in which pro-ponents of the NEB have claimed. Institutional investors in the UK are prepared to provide venture capital if they an indigenous source of mass-produced integrated circuits; believe that the proposition is sound. What they quite reasonably shy away from are Concorde-type projects which involve ever-increasing amounts of capital and ever-diminishing prospects of a commercial return. So while it would be wrong

for Sir Keith Joseph to withdraw support for lamos on ideological grounds, it is urgently necessary that its jects of the Inmos type: there was an "equity gap" which the NEB was created to fill.

operations should be subjected to some form of market test. The best way would be for pri-These arguments began to vate sector institutions to participate in the next stage of

# Gaullists rock the boat

PRESIDENT Gisgard d'Estaing has suffered a number of embarrassments in recent in with a chance in the 1981 weeks. His Minister of Labour Presidential elections, and has M. Robert Boulin, committed concluded that the best way of suicide in circumstances that staking out his position is to threatened to provoke a major undermine political scandal and enormous publicity has been given to the President': alleged receipt of actually want to bring the valuable diamonds from the present Government down. The disgraced ev-Central African Emperor Bokassa More recently, M. Gisgard d'Estaing's Government has been obliged to resort to what looks close to juggling with the constitution to get its budget adopted by the National Assembly. This week, the President had no alternative but to recall the Parliament in the depths of the Christmas recess to try to legalise the budget's adoption after an adverse ruling by the country's Constitutional Council.

### Confidence

The Council's ruling was on e technicality. Government's article of the Constitution, under which it is entitled to force through legislation by making it a matter of confidence. Under a provision that was frequently used by General de Gaulle, bills treated in this way are considered adopted unless the Government is octually voted down by a motion

Nevertheless, it can hardly be claimed that this is a satisfactory way to run a Western democracy. The French Government has now, on average, challenged the opposition (and many of its own official supporters) to a vote of confidence once a week for the past half dozen weeks. If it has survived, it is because the Gaullists. still the biggest single party in the National Assembly, have stapped short of bringing it down and causing early elec-tions. Paradoxically, it is the Gaullists who have provoked the crisis they have failed to

see through to the end. Giscard d'Estaing, which they nomination - the identity and do not automatic- parch, but it is not yet ally go along with the disaster.

Giscardiens. M. Jacques Chirac, the Gaullist leader, wants to be d'Estaing's authority. But there are two reasons why they do not first is that to do so they would have to vote alongside the Socialists and Communists in a motion of censure, possibly acquiring a leftist tinge that they do not want. The second is that they are not very well placed to fight an immediate Parliamentary election.

that, despite his recent mis-fortunes, M. Giscard d'Estaing has been standing up rather well in the opinion polls. M. Chirac's sniping has not had the desired effect of establishing him as a credible alternative for 1981. Indeed, he has had to be restrained by his own party. which feels that as often as no he has done it more harm than good. If he is pulling the strings behind the scenes in the latest series of Parliamentary inci-dents, he has been keeping fairly quiet publicly. The popularity not only of M. Giscard d'Estaing, but also of his Prime Minister, M. Raymond Barre, has been rising.

It may be that M. Giscard d'Estaing will finally conclude that M. Barre will have to go some time in the spring in order to allow a new Prime Minister to run himself in before the Presidential elections. Certainly, the President will not want to persist in invoking the Constitution every time some routine piece of Parliamentary business needs ot be done.

Despite his problems. M Giscard d'Estaing still looks the best bet for the 1981 Presidential race. M. Chirac's tactics have so far failed, while the Left is in disarray. There seems little or no likelihood that the Socialists and Communists will find themselves able to field a The Gaullists are in a cleft common candidate for the Presistick. They dislike the Centrist dency, and the Socialists are Government of President still divided over their own officially support as coalition Francois Mitterand or the more partners. They are trying to social democratic Michel make it quite clear to the electric Rocard. M. Giscard d'Estaing torate that they have a separate may be going through a difficult

# Soviet nuclear energy plans unshaken by safety debate

BY DAVID SATTER IN MOSCOW

### **NUCLEAR POWER STATIONS** IN THE USSR

	Soviet Union, where the economy is centrally planned		IN TH	E USS	;R	
	and no anti-nuclear protestors bedevil the authorities, energy planners are expressing few doubts.	In operation	No. of Units	Type	Unit Capacity MWe	Commissioned
	The situation has changed,	Obninsk	i	PTR	5	1954
	however, with the appearance of	Troitsk	6	PTR	100	1 <b>958-</b> 1962
	an article by Nikolai Dollezhal,	Beloyarsk 1	Ĭ	PTR	100	1964
	the leading Soviet expert on	Beloyarsk 2	i	PTR	200	1967
	the leading soviet expert on	Leningrad	2	PTR	1900	1973, 1975
	nuclear energy and Dr. Yuri	Bilibinsk	4	PTR	12	1973-1976
	Koryakin, an economist, in the	Chemobyi	7	PTR	1000	1977
	September issue of Kommunist,	Kursk	1	PTR	1000	1976
	the Communist Party theoreti-	Novovoronezh 1	í	PWR	210	1964
į	cal journal. For the first time	Novovoronezh 2	1	PWR	365	1969
	in the Soviet press, the article	Novovoronezh 3, 4	ž	PWR	440	1971, 1 <b>972</b>
ı	paid explicit attention to the	Novovoronezh S	7	PWR	7000	1972
ı	fact that nuclear power carried	Kola	2	PWR	440	1973, 1974
ì	with it appreciable risks.	Armenia	1	PWR	405	1976
ı	This note of anxiety comes at	Ulyanovsk (BOR 60)	1	FR	12	1962

UCLEAR ENERGY may

be a controversial issue in the West but in the

a time when the Soviets have

not only prepared for a massive

conversion to nuclear energy by

the end of the century but have

decided to locate reactors in or

near population centres and to

base long-range planning on

fast breeder reactors. This type

is also under development in the

The economic logic has been

persuasive enough to override

other faint warnings about

reactor safety from within the

Soviet Union and the discussion

abroad about Soviet nuclear

accidents, including a disaster

in the Urals at a military com-

plex which caused severe con-

tamination and apparently

nuclear power plants operating

in the European part of the

country and the intention is for

generating capacity to grow

than 110,000 MW in 1990. By

the year 2000, 20 per cent of Soviet energy needs and all the

electricity needs of European Russia are to be met by nuclear

power. It plans to use two types

of reactor: a pressure-tube system unique to the USSR, and

pressurised water reactor

(PWR) similar to those used in

In the past, the Soviets have

had trouble achieving their nuclear energy targets. Their first goal, set in 1971, was to

install 30,000 MW of nuclear

This target was revised down-

ward some years later to 18,500

MW by the end of 1980, but even this lower target will not

What may make a difference

completion

now, however, is the progress

modate a dramatic increase in

The Soviet Union has always

been a leader in nuclear energy

but the development of "Atommash" will put Soviet

atomic engineering on an entirely new footing. The first

Soviet nuclear power plant was opened in 1954 at Obninsk and

had a capacity of 5 MW. Since

then, the Izhorsk works, south of Leningrad, has produced 440 MW pressurised water reactors and multichannel

the West.

The Soviet Union has 10

UK and France.

hundreds of deaths.

Shevchenko (BN350)	i	FR	1120	1973
Under construction				
Leningrad	2	PTR	1000	
Kursk	2	PTR	1000	
Chernobyl	1	PTR	1000	
Smolensk	1	PTR	1000	
Ignalino	ž	PTR	1500	
Kola	2	PWR	440	
Armenia	ī	PWR	405	
Kalinin	i	PWR	1000	
South Ukraine	i	PWR	1000	
Royno	ż	PWR	448	
Beloyarsk (BN 600)	1	FR	600	
Planned				

This reactor also produces 50,000 m3 distilled water per day.

Ulyanovsk. 2 There is an experimental fast reactor of 5 biwe at Obninsk. Total MWe in operation is:

Total MWe under construction is: 13,765 MWe Total MWe planned is: 36,590 MW a 4 PTR refers to pressure tube reactors of the RBMK type

PWR refers to pressurised water reactors of the YVER type.

1.000 MW units. At Atommash. however, the intention is to produce 1,000 MW PWR's on an assembly line basis, as is being done in West Germany, France generating capacity in 10 years. and the U.S.

South Ukrain

At the same time, plans are advanced for the rationalisation of atomic reactor manufacturing within Comecon. The last finished at Izhorsk and in the the smaller, Soviet, states. designed reactor is to be manu-"Atommash," the vast nuclear factured in Czechoslovakia. power engineering complex There is a co-operation pro-being built near Volgodonsk in gramme envisaged for Comecon assembly of the reactor core-

There have been delays at thinking. Atominash and the project is The two authors said that now two years behind schedule. The two authors said that now two years behind schedule. But the first 1.000 MW reactor is the Soviet Union's economic

In anticipation of the energy benefits that the expansion of nuclear power will bring, the Soviets have pledged to increase posal and warned that safe, posal and warned that safe, and time-tested technologies do not exist for all products of the fuel cycle."

The article made an argument

crude oil deliveries to Comecon by 20 per cent in the next Five-Year Plan, despite the likelihood that Soviet oil production in the 1980s will start to decline. They have also drawn up a co-operation plan for development of nuclear energy with the East European countries of Comecon, which will be im-440 MW reactors are being portant to the energy planning of the individual East European

The great extent of the Soviet commitment to nuclear energy was part of the reason why the Soviet press and Soviet officials companies, particularly GEC in funding, as the first step toassociation with Fairchild of wards the withdrawal of Inmos
the U.S., decided to undertake from the public sector.

southern Russia, and the careful which involves all the East regularly stressed the advantage of involves and the careful which involves all the East regularly stressed the advantage of nuclear power, paying the U.S., decided to undertake from the public sector. work-pressure vessels and dangers. But the appearance of the article by Nikolai Dollezhal is to be done only in the Soviet and Dr. Koryakin in "Kom-Union and Czechoslovakia. munist" has challenged this The two authors said that

expected to be finished by 1982, future, but they also raised the when the works should be able problem of nuclear waste disto produce three reactors a year. posal and warned that "safe,

nuclear power stations in reactors should be clustered in members of Comecon. vast, self-contained complexes away from populated areas, in known in the west, The "Kommunist" article was widely cited and discussed

on Moscow Radio but it was not until last month that it was implicitly criticised by Mr. Vladimir Kirillin, the head of the State Committee for science and technology, who, dwelling on the issue of the environment rather than nuclear safety, argued that nuclear power stations were "several thousand times cleaner," to operate than conventionally fuelled plants. Mr. Anatoly Alexandrov, the President of the Soviet Academy of Sciences, at a Press conference on December 18, told correspondents that nuclear power is a safer way to generate electricity than oil or coal, and said. "there are no insoluble problems in atomic energy."

Neither the "Kommunist" article nor Mr. Kirillin's reply issue of nuclear safety explicitly but this was probably because, as a matter of policy, the Soviet authorities do not want to arouse public fears over an issue in which the public has no say. The discussion about environmental consequences in the Soviet Press should probably, therefore, be taken as a coded version of the debate about nuclear safety going on among Soviet officials.

When worry in the West about the dangers of nuclear waste disposal was mentioned at a recent British-Soviet energy seminar, the Soviet participants were said to have replied, with uncharacteristic lack of confidence, "doesn't it worry us all?"

Indeed, the Soviet energy planners have cause for con-cern. They are proceeding rapidly in an area which is not fully mastered and seem prepared to expose urban populations to greater risks than would their counterparts in the

The Leningrad atomic power station, of the pressure-tube type which, with a generating capacity of 3,000 MW (soon to be increased to 4,000 MW), is from the centre of Leningrad in the town of Sospovy Bor. Voronezh, the centre of the Soviet aviation industry, draws most of its power from five reactors operating at nearby Novovoronezh.

There are reactors near major urban centres throughout the European part of the Soviet and Smolensk, in the Russian Republic: those at Chernobyl, near Kiev, in the Ukraine; Beloyarsk in the Urals, and in

planned siting of 50 to 70 densely-populated European and 5,000 MW and to construct where they were taken to with Russia could lead to "ecological a string of nuclear power sta- in 15 ft of the reactor's burning exhaustion" and the use of too tions in the populous western much agricultural land and border regions to generate elec-water. The authors argued that tricity for the East European

> The reason for the concentration near major cities in the European regions is that although these densely-populated areas presently consume 75 per cent of the electricity in the Soviet Union, they are running low on oil and coal, the principal means of generating

> The bulk of Soviet oil now comes from western Siberia, where exploitation and transport costs are enormous; almost all the increase in coal production in 1976-80 came from equally inaccessible areas of Siberia and the Far East. By creating vast energy complexes in close proximity to major cities, the Soviets will not only save oil but greatly reduce transport costs as well.

There are similar economic reasons for the plans to locate smaller nuclear reactors in the very centre of Soviet cities, which unlike those in the West, are often heated by central fossil went so far as to raise the fuel-burning electric power plants which generate electricity and pump waste steam to apartments, shops and offices. Moscow and Leningrad are heated by these "co-generation" plants, which provide 60 per cent of the country's residential heating.

### Fast-breeder development

The aggressiveness of Soviet nuclear energy development shows in the attitude toward fast-breeder reactors. The first Soviet breeder reactor, at Shevchenko on the shore of the Caspian Sea, within a capacity of 120 MW went into operation n 1973 and the Soviets expect to complete a second fastbreeder reactor at Beloyarsk with a capacity of 600 MW, which should be finished by the end of 1980.

They envisage breeder reactors being widespread in the 1990s because they produce more plutonium than they consume and thus could solve the problem of dwindling uranium supplies. An accident at the Shevchenko reactor in 1974, in which a flash fire resulting from the largest nuclear installation a leak allowed by faulty welding in Europe, and is only 45 miles caused a partial closedown of a remino however, that breeder reactors tested.

Little can be said with cerlainty about the stringency of Soviet safety in light of their ambitious plans to develop nuclear power. Almost all Soviet reactors have been built without concrete containment shells to isolate radioactivity in the event of an accident. Workers do not wear badges to measure exposure to radiation of nuclear energy is under way the Komi peninsula near and visiting American journal- at last.

for restricting nuclear energy Murmansk Plans call for ex- is were recently surprised to development. It said that the pansion of existing facilities to be escorted to the top of a small create stations with general- reactor at Moscow's Korchato ing capacities between 4,000 Institute of Atomic Energy uranium fuek Such details as these may be

indicative of an attitude, bu they are not as worrying a actual experiences with mal functioning Soviet reactors in Finland and Czechoslovaki and the memory of a nuclear disaster in the Soviet Linion more than 20 years ago.

The Finnish incident was

relatively minor: The operation of the second of two 440 MW Soviet reactors at Lovisa (but of which were fitted with esa tainmen: shells purchased by the Fluns in the West) has been delayed because cracks developed in a stainless sign enating for the pressure vessel .1 closer examination of the reactor showed that, under extreme circumstances, small radinactive leaks might not trigger the emergency cooling In Czechoslovakia, one

system. two Soviet-designed reactors Jaslovke Bohunice, north of Bratislava, has suffered two major accidents, both of which released radioactivity into the atmosphere. According to the Charter 77 human rights group, the first occurred in Januar 1977, when the obstruction of valve controlling the flow o rarbon dioxide coolant caused pressure to build up and bot radioactive gas flowed into working spaces and escaped into the atmosphere. Two workers were suffocated in the incident.

The second accident, a mont later, occurred when a new uranium fuel element was loaded improperly. As the reactor was shut down, contaminated steam escaped into the atmosphere. Nothing is known about the extent of the contamination in either case. In many respects, Sovie nuclear safety regulations, par ticularly as regards the operating of reactors, are as tough as those in the West. But the experiences in Czechoslovakia and Finland suggest that the problem may lie not with in-sufficient regulations but with

their non-observance. It may have been simple lack of care in the storage of nuclear waste that led to the 1958 explosion near Chelyabinsk in the Urals in which hundreds apparently died. The area was so massively contaminated after the disaster that, according to a former Soviet professor now living in Israel, there were "no villages, no towns, only the chimneys of destroyed houses or pastures, no herds, no people

Having gone so far toward adopting nuclear energy, the Soviets are unlikely to turn back now. But with the recent and medium-term past in mind it is at least reassuring that the and Dr. Koryakin in "Kommunist" points clearly to the fact that the long-overdue internal debate about the risks

# AND MATTERS

### Keeping a critical eye ca round two

One of the more acerbic tions will be director of the Joseph Rowntree Social Services Trust, life peer Lord Chitnis, who did so much to discredit the validity of the first round of elections in April. After a fortnight's tour of the country as a member of the inter-party Par-liamentary group of observers. he stigmatised the elections as "a gigantic confidence trick" and talked of " cowed and indoc-trinated " voters.

The trust has given Chitnis leave of absence if he wants it. but he insists he is not going in any kind of official capacity, nor will he involve himself "very directly" with the campaign of any particular party. Rumours to the contrary, he tells me the trust — which gives away £350,000 a year to political and other non-charitable causes—has extended no financial support to the Patriotic Front. Nor. he says, has any application been re-

Any touchiness he displays on this subject might be explained by the uproar which followed the trust's grant of £30,000 to guerrillas in Mozambique in 1971, soon after he became director of the trust. One consequence was that he was sent a letter bomb—"a very primitive one." he says airily.

### Off the map

Macro-economists who have been pondering the prospects for the "Unknown Country" listed in the latest data base dictionary of the International the IMF's careful tracking of its device for shelling hard-boiled unknown currency and unknown eggs.

economy. After I had drawn attention belittle this scientific advance, to this seeming newcomer to the it must be pointed out that world community, there was a several million hard boiled eggs almost any meaning from the wary silence from IMF head are shelled by hand every day prophecies. Hitler, for instance.



Actually the £5 mink goes to the first person to make an offer for the store."

quarters in Washington, Now I have had a letter from Walter Dannemann, director of the Fund's bureau of statistics. He says: "The 758 unknown country' appears to be a noise record on the tape file and has been corrected so that it should no longer appear.'

One may hope that the Pentagon's computers do not also suffer from this electronic

### Miracle of science

In an age of energy saving Jérome Frechou, a 32-year-old Frenchman, certainly deserves the distinction bestowed upon him at the recent international Inventions Show in Geneva. Frechou, was awarded the Monetary Fund can now return Frechou, was awarded the to tess hypothetical affairs. The Franco-Swiss Trade and Indus-country does not exist, despite try medal for designing a country does not exist, despite the design for challing heart hould

Lest anyone is tempted to

in restaurants and canteens all conveniently saw his own victory over the world. The French foretold; to be on the safe side over the world. The French foretold; to be on the safe side invention uses hydraulic energy he also had forgeries dropped

Frechou says: "With mass discontinued as late as 1943. eating becoming the lot of more But, as Nostrodamus' later and more of us this invention certainly has a future." The German market looks particularly promising for the eggsheller as the average German eats an annual 37 lbs of eggsroughly 400-the world's record. Then come the Americans, Japanese, Austrians and French. But the French are probably the biggest consumers of eggs in their hard-boiled from. Hard boiled eggs grace the counters in most French cafes and are popular lunchtime snack. Last year the French downed 20bn eggs, many of them hard

### **Troubled waters**

While a company in New York has taken the opportunity to start mass producing an Ayatollah Khomeini dartboard, Britain's own Transworld Publishers are busy mining the rich seams of the paranoia market opened up by the Iranian revolution. The Prophecies of Nostro-

damus have just been reprinted in a handy, easy-reference pocket edition and fresh claims have been made for the 16th edition of Nostrodamus century necromancer, whose visions in a bowl of water are alleged to have included the Great Fire of London, both world wars, air travel, and the Proof of pudding assassinations of John and Robert Kennedy. Witcheraft being regarded as

not quite the thing in the 16th century. Nostrodamus—it is said—deliberately confused the time sequence of his prophecies and also wrote in a style whose impenetrability European Commission staff might envy. This makes it possible to extract

. Losilialisa

to separate the egg from its from aeroplanes over France, shell. Over 2,000 eggs an hour The Allies responded by drop-can be shelled by this method. ping their own—a practice

But, as Nostrodamus' latest publishers say, "Rain, famine and war will not cease in Persia; too great a faith will betray the monarch" does sound like a fairly clear indication of something arm in the tion of something rum in the state of Iran. The quatrain continues. more obscurely, "Those actions started in France will end there, a sign for one to be secret sparing.

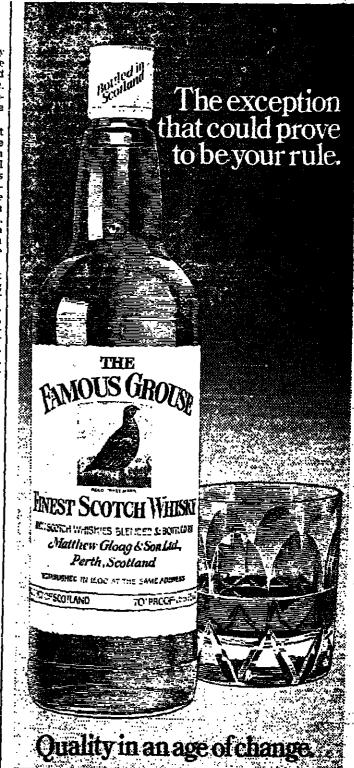
On the other hand, how about "The king enters Foiz wearing a blue turban, he will reign for less than a revolution of Saturn. The king with the white turban his heart banished to Byzan-tium, Sun, Mars and Mercury near Aquarius"? An ungramatical prediction of a hatwearing Tory inflicting injury on a man last seen at Heathrow Airport?

No, according to Transworld's translators and interpreter this means the Russians will ally with America against Iran and the Muslim Empire. "This dates World War III as begining on February 18, 1981," the publishers add confidently. Perhaps I should finally act on that advertisement for Co-op life in urance so thoughtfully placed between the pages of the bought a few years ago.

An American surgeon lecturing medical students in Bristol just before Christmas was asked if he considered the operation he was describing was a valuable

"aluable?", demanded the surgeon, a little taken aback, "I raised five kids on it."

Observer



# Getting the third airport off the ground

By MICHAEL DONNE, Aerospace Correspondent

British Airports Authority plans to start extensive talks with Government departments. local authorities, airlines, and other organisations including British Rail, to discuss in detail Government's plan. announced before Christmas, to make Stansted in Essex the in the case of farmers in that and other objections.

The Government has taken a broad policy decision, abandoning any idea of developing a green field " site, either inland or on the coast, and reverting instead to the original option of Stansted, first mooted as far back as 1964, and again in 1967, but eventually abandoned in 1971 in favour of Maplin. Thus, for the third time in 20 years. Stansted is the designated Government choice as the third major airport for London.

But it is one thing for any Government to take a policy decision and quite another to implement it. Decisions by any

rvices) moves in

inspector rejects Stansted

Authority set up.

oil and economic crisis.

1967

1971

THE STANSTED SAGA

Minister of Civil Aviation approves Stansted as charter

1954-56 U.S.A.F. moves back to use Stansted as trooping base; runway

Stansted transferred from Air Ministry to Ministry of Civil

White Paper proposes Gatwick as main alternative to Heathrow

Inter-departmental committee set up to consider airports policy

Committee selects Stansted out of 18 sites and this is approved

White Paper on Third London Airport reaffirms Stansted

Government appoints Roskill Commission on Third Airport.

White Paper on Airports Policy suggests new study of options.

and civil diversionary airport for London area.

lengthened to 10,000 feet (over 3,000 metres).

Public Inquiry into local objections to Stansted

Roskill recommends Cublington (Vale of

Government rejects this in favour of Maplin

1971-74 Initial work on Maplin plan, with

including Stansted and Maplin.

South East Airports Study Gro

Study Group suggests six short-listed and Stansted, for further study.

After studying reports from both be

Airports Policy both set up.

Labour Government cancels Maplin

EARLY IN the New Year, the particular Government over the that the plan does proceed. issue of London's third airport a result, Stansted, and those living nearby, have been subjected to what many believe to be intolerable uncertainty over major airport without running the future of their homes, and the gauntlet of environmental prospective third major airport area, even their livelihoods. The British Airports Authority, as the Government's designated owner and operator of State airwell as Heathrow and Gatwick, has been saddled with the task

of making the latest Govern-ment policy decision work. Whether that decision survives any longer than previous decisions by other Governments remains to be seen. The objectors will try to see that it does not, but many others, including the Authority, the air transport industry, much of Whitehall and many people who live in the area who want to see the airport grow as a source of employment and prosperity, will try to see

The development of Stansted have had the habit of being is expected to be conducted in overturned by its successors. As stages, each of which is likely to involve major public planning inquiries, so that Stansted is unlikely ever to become a

The first stage of the proposed development is likely to be relatively easy. The Airports Authority may decide, perhaps ports, which include Stansted as by the provision of temporary accommodation, to expand the existing use of the airport from 300,000 passengers a year to, say, im or more, which it is

> Secondly, and much more complicated, the authority will have to draw up a detailed "statement of case" for the further development of Stansted to 15m passengers a year by the early 1990s, involving the acquisition of another 1,500 acres of land and the construction of a massive new terminal on the southern side of the existing runway. It must be sited to fit eventually into the much larger complex of four terminals that will be needed if the airport expands to 25m and

> then to 50m passengers a year. This statement of case will have to be prepared in meticulous detail, for submission to the relevant local authorities as part of the Airports Authority's application for planning permission for the first new main terminal, probably in the autumn of 1980. This application is then certain 'called in " by the Department of the Environment and Government's promised public inquiry instituted, probably starting in the spring of 1981, and lasting through most of that year. It is at that inquiry that the real "battle of Stansted" will be fought all over again, and already the environmental groups around the airport have given notice that it will be a tough and even bloody fight.

After several months of to decide whether to accept or It seems inconceivable that the Government which has now decided in favour of developing Stansted could turn round in eantime a dramatic downturn the country's economic fortunes and a slump in the

and any need for new airport facilities. But there have been so many

reversals of airports policy in the past twenty years or so that it would be foolish to predict the outcome of either the public inquiry or the response to it of the Government. It is enough to suggest that the Airports Authority is alert to the possibilities, and will make its "statement of case" the

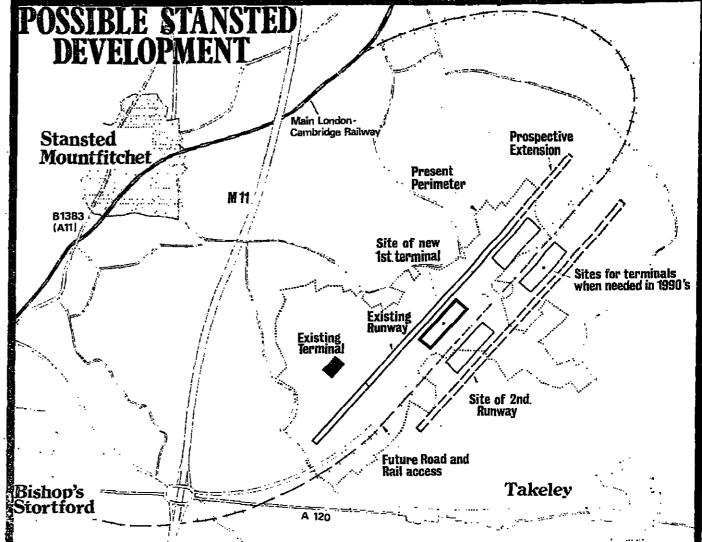
strongest that has yet been presented for any new sirport development anywhere in this country. But the statement of case will also have to go further

probably able to do without than just seeking to develop seeking additional planning Stansted to 15m passengers a year. It will probably also have to argue, at least to some extent, in favour of the Government's own long-term option to extend the airport further to 25m passengers a year with a second runway, and perhaps further to passengers a year—although no one in the Airports Authority expects the latter to be necessary until well into the

> example, will at least have to outline its plans to acquire the additional 2,500 acres of land that the Government believes to be necessary to "safeguard this longer term development option-that is, to ensure that the land is not sold in the interim for other purposes, such as housing or even light industry, that would pre-empt any further expansion of Stansted in the 1990s.

At the same time, no matter whether the airport eventually handles 15m or 50m passengers, certain basic requirements must be met. These include long-term road access improvements, with the possibility of a spur into the airport off the M11 motorway, and perhaps a link with the existing London-Cambridge railway line. The Authority will also have

consider such matters as electricity and water supplies, sewage disposal, the demolition of some houses, the diversion deliberation, probably by early of some streams, the possible 982, the Government will have extension of the existing runway beyond 3,000 metres, the reject the report of the removal of the existing cargo-Inspector at the public inquiry. area south of the runway to a new permanent site (its present location is roughly where in the first major passenger terminal will be), the provision of 1982 and pronounce against it, maintenance bases, and other unless there had been in the facilities—all of which will be needed whether the airport handles 15m or 50m passengers a year.
The size of the planning task



tain that these are details that environmental objectors will belief in Government and the strong of the control of the contro press for strongly. This plan-reflected in the hardening atti-ning burden, coming at the tudes of both the British Airsame time as the Authority is engaged in the development of the newly-approved fourth passing, airworthiness and air senger terminal for Heathrow, traffic control body for aviation and in the public inquiry into the proposed second terminal at Gatwick (which starts in the Year) will tax the Authority's resources severely.
It will also tax it financially.

The Authority expects to have to invest at least £100m a year these new developments through to the mid-1980s, and it is clear that this money will have to be found largely from its internal resources - which means that it will pass the bur-

ports Authority and the Civil Aviation Authority (the licenin Britain) that the days of subsidy by taxpayers for civil aviation are over, and that passengers must now pay for the services of all kinds that they fares and fees.

The size of the task confronting the Airport Authority at Stansted explains why so many of the area's residents object. They believe that the Governden on to airlines and to passengers a year is really sengers through higher landing another way of saying that the

Stansted is the " expansion chamber" that will be used in the 1990's when Heathrow, even with its fourth terminal, is at its directly for the airport itself ceiling of 38m passengers a year, and Gatwick, with its second terminal, is at its own peak of 25m, while Luton will be hovering between 3m and

Many local residents do not like this. The Stansted area is by any standards a pleasantly rural one, still comparatively peaceful although the airfield has been there for the best part of 40 years. Some of the protesters moved into the area well after the airfield was built. Some of them own land that the Airports Authority will seek ment's plan to lift Stansted to to acquire, and they will be worried about the price they will get. Others will be worried

port, as has happened around Gatwick, south of London.

In addition to the land needed more will need to be taken for houses, roads, schools, hospitals and all the amenities that must go with a community of perhaps 250,000, from which the airport will draw the several thousand workers it will need.

But against the voices of the protesters must also be set those of many others who welcome the development of the airport because of the benefits it will bring in terms of more jobs at better pay, together with the improved business that it will generate throughout the area. The environmentalists may be more articulate and more skilled in making their protests. But the others have an equally strong case, which must also be care fees and other charges. Just airport is inevitably designated about the inevitable change in fully weighed in the balance how these higher charges will as the third major airport for the area's character that will when the public inquiry is held.

# Public Inquiry into Stansted plan is expected to be held. Letters to the Editor

### The technology game

From the Managing Director,

December 11 you published an article by Christopher Lorenz under the title "Why the City must learn game'" which contains some irrelevant and inaccurate comment about GEC in purported illustration of his thesis that noone in the City understands anything about the relationship between the strength of a com-pany and technology. There are apparently some exceptions to this rule, of which, of course, Mr. Lorenz is one.

Mr. Lorenz's proposition is that product innovation is intrinsically good. The simple truth is that good innovation is good and had innovation is bad. and in certain cases can be ruinous to the company which engages in the "technology One may ask does Concorde.

does the fate of Rolls-Royce. support his argument? crucial in innovation to distinguish between the "good" new products which will be wanted at remunerative prices, and the bad ones which will not; that means knowing the market and having the financial and technological strength to make the necessary changes to meet its

it. does not mean wasting money on inventing products which meet no need, or are unconomic in resource consumption, or are simply uncompeti-tive with similar products already available.

Where exactly GEC fits into Mr. Lorenz's argument is by no means clear. He says: "GEC's proven ability to develop successful new products is patchy, varying markedly from one division to It does indeed vary markedly from one division to another and it would be most surprising if it did not, since GEC's business varies markedly from one division to another. Anyway, what generic yardstick does Mr. Lorenz have for measuring the relative patchiness of product development?

Mr. Lorenz attacks the in-dustriel logic of the Averys takeover, presumably as one of that "small group of expert observers" whom he considers are better able to judge what GEC can offer in the development of the Avery's business than GEC itself.

But how does this support the idea that the City should con-cern itself with technological udgments which lie outside its knowledge and experience?

Mr. Lorenz's article is in fact gratultously offensive, ill-informed knocking copy, typical of that facile form of argument which dresses up bar-room gossip to look to the uninitiated

Arnold Weinstock

 Nowhere in the article did Christopher Lorenz suggest that product innovation is intrinsically good; indeed, he warned against such a view. Nor did he attack the industrial logic of the Averys takeover—only the way in which the public debate on it in the City was conducted. Readers of the original article and Sir Arnold's letter may form their own judgment on what description the article and the letter merit.—Editor.

# Cutting money

City University Centre for Banking and International Sir,-Mr. Allan Clark, MP, is

From the Director of Research,

right to suggest that his party's recent attempts to reduce monetary growth have been unconvincing. He is dangerously wrong to suggest that its counter-inflationary objectives imply lack of concern about the health of the real economy, and that a cure can be found in protectionism.

Material living standards should not suffer, even temporarily, as the monetary expansion falls, long as this deceleration is made known in advance to unions and businesses through the dissemination of credible monetary targets.

In the long run real living standards should if anything be raised by greater stability in the value of money. The present Government is not. pursuing irrelevant or un-realistic policies. Mr. Clark's misgivings over fluctuating in-terest rates and conflicting monetary indicators are valid criticisms not of the Government's monetarism but of its failure to reform the haphazard techniques by which it persists in trying to control monetary growth.

Even if inflation is successfully reduced, this will not solve the problem of slow productivity growth in the real economy. Nor protectionism, whether packaged as "managed trade (as Mr. Clark quaintly puts economic positivism.

In particular, his argument protected industries will use their excess profits to create new investment and thereby oecome once more internationally competitive is belied by the history of almost all developing countries which have nurtured infant industries."

The absence of competitive incentives has made such sectors bywords for inefficiency ill- and technological backwardness. The visible failure of demand management policies to 5timulate growth and employment in developed economies has led both Conservative and Labour

Cabinets to embrace the more The General Electric Company, modest aims of monetarism. It would be ironic if in the protectionism case of

ridden by the doctrine's nationalistic appeal, so that this conceit also found supporters. like Mr. Clark, on the Right as well as the extreme Left. The only case for protection

the sympathy we feel for communities of workers wno are suddenly thrown out of work through the pressure of foreign competition. If we ease such adjustment problems by temporary subsidies to their in-dustry or, preferably, to the small local firms which are the most active employers of displaced labour, we must accept that material living standards for the country as a whole wil! be reduced. R. A. Batchelor,

City University, Northampton Square, EC1.

### Petrified, not 'metrified'

Sir, — The media seem obsessed with Britain's ever accelerating industrial and economic decline. Blame is attributed frequently to union militancy, shortage of high quality engineers, excessive public expenditure and high taxation. Italy has just as much union militancy; France is just as short of design engineers as we are; West Germany spends a fortune on social welfare and Sweden is "oppressed" by high

aggressive taxation. None of these countries is bequeathed with significant natural energy supplies, and yet they all produce technically advanced industrial products in worldwide demand.

Britain is virtually self sufficient in energy-oil, coal and natural gas, and also benefits from political stability and relatively low salaries and wages. Yet incredibly Britain is sliding into industrial ever faster oblivion. British Steel has to cut itself in half because it can only sell 15m tonnes of steel out of a capacity of 30m tonnes per annum.

Why, because Britain makes only half the cars, machine tools, washing machines, trucks and tractors that it could. Italy, France, West Germany, Sweden. and for that matter, Switzerland. Denmark, Holland, Japan and most of the rest of the world are metric in thought, word and

Metricated thinking, design, manufacture and marketing mean better designed, better made and better sold products. What is Britain? It is not metrified it is petrified, half metric and half Imperial. Eighteen million young people have been educated metrically. the rest of the population is completely indifferent or completely

ignorant of metrication and its

What a crazy country in which central heating oil, paint, soft are sold in litres, while petrol, milk and draught beer are sold

Now that the present Government has abandoned plans for further metrication, I do not think we have many more years left as a major industrial nation Whitley Reed Cottage, Sandy Lane, Antrobus, Cheshire.

### South Africans in Rhodesia

From Mr. Len Clarke Sir.-British trade links with black Africa have already suffered considerably at times from our Government's scantily hidden preference for minority rule in southern Africa, coupled with a basic insensitivity to black African rights and feelings, and even to simple justice. So your news item on December 19 concerning the continued presence of armed, foreign South African troops in the British territory of Rhodesia, without a word of protest being currently voiced either by Britain or Loro Soames at this illegal presence of a foreign army—with a racially unsavoury reputation on British-ruled soil, is alarming For only a few days ago it was

representative of the British Government and Crown — who agreed to the instant arrest trial, conviction and punishment of certain black civilian British subjects in Rhodesia for the "crime" of opening a political office a couple of days too early.
The message to black Africa is thus crystal clear. Our present British Government's attitudes, both racial and poltical, in southern Africa are that the most minor misdemeanours by black British subjects are to be met by instant arrest and punishment; but that an illegal invasion of British territory by the armed forces of a foreign. racist police state are, at least for the present to be ignored. Appalling as such a state of affairs no doubt is, there does

the same Lord Soames-official

seem however to be a precedent For is there not a striking simi larity here to Britain's abject surrender to a country with similar ideologies to South Africa, when that country in 1938-39 marched its troops into part of Czechoslovakia, and then took that small nation over, to the deafening silence of British appeasement? And was that not a factor in Czechoslovakia today being communist? Len Clarke. \* Porthconar

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advertisement, you could well be feeling distinctly restless-particularly if your company right for you. is looking for a new industrial location.

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They're right at the heart of the motorway network, which puts them no more than an hour away from Britain's deep-sea Atlantic containerport at Liverpool, or from Manchester with its port and International

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By the time you've finished reading this and a range of plots too, from 1 acre upwards. So there's bound to be one that's just

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But what may surprise you are the fine carefully planned access roads and the green

If by now, we've begun to make you feel gone to local, national and international com- a little unsettled, call our Commercial Director,

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Position	
Company	
CompanyAddress	
<del></del>	FT28/12

interim stage, 1978-79 profits of Vectis Stone Group showed an increase over the previous year. Taxable surplus of the building products and services and fuel distribution group rose by 25 per cent from £539,000 to a record £676,000 for the year ended September 30, 1979, with £250,000 against £205,000 coming in the first half.

With stated yearly earnings per 10p share increased from an adjusted 3.07p to 4.06p, the net dividend total is effectively lifted by 75 per cent to 1.45p (equiva-

Date Corre- Total of sponding for Corre- Total Current \* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

DIVIDENDS ANNOUNCED

Mr. J. A. K. Collins, chairman. says that with the exception of columbia Products helping civil engineering which had a further to diversify interests. Mr. Turnover from activities in the difficult year, all sections of the Collins says the group is building and construction building and construction divi- soundly based for a period of industry went ahead from £2.66m sion performed well during the continued steady growth.

With the proposed acquisition Tax for the year took £256,000 to £3.82m. Operating renumera- period. Tax for the year took £256,000 tion from fuel distribution. In the fuel distribution divi- (£221,000) leaving net profits up to £400,000. Divi

# increased from f0.7m to £1.22m, on invoiced sales of £15.03m (£11.47m). In the fuel distribution dividuals a full 12-months contributed materially to an excellent result, he increased demand for sion, the increased demand for dends absorb £150.000 (£88.000) severe winter contributed materially to an excellent result, he states.

# Thermo-Skyships waits on final cheque to achieve target

THE SUCCESS or failure of an attempt to raise £3.2m for Siddal, said there is "just a Thermo-Skyships, the Isle of Man aerospace company, hangs on the received by today's 3 pm deadreceipt of a cheque which would bring subscriptions above the minimum £1.4m required for the financing scheme to go ahead.

The subscription period has been extended until roday.

been extended until today from the initial closing date of December 7 and Mr. Richard

> IN PARLIAMENT **SESSION 1979-80**

STANDARD LIFE

ASSURANCE COMPANY GIVEN that a SPECIAL GENERAL MEETING of the MEMBERS of THE STANDARD LIFE AS-SURANCE COMPANY will be held at Three George Street Edinburgh, on Tuesday the 1980 at 2.30 p.m. at which in compliance with the Standing Orders of Parliament relating to Private Business the Bill for which a Petition was presented to Parliament

on or before 27th November 1979 with the following long title:-"A Bill to authorise The Standard Life Assurance Company to carry on business in Canada under a French name: and for other

will be submitted for the consideration, and, if thought fit, the approval of the Members Forms of proxy for the

purposes.'

use of Members of the Company who are unable to be present at the meeting, but who may wish to vote thereat, may be obtained on application to the undersigned. By Order of the Directors

G. D. GWILT General Manager and Actuary 3 George Street Edinburgh

Arkwright House.

Parsonage Gardens Manchester M60 3AH.

18th December 1979

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange. It is not an invitation to any person to subscribe for or purchase any preference shares in J. Hewitt & Son (Fenton) Limited.

J. Hewitt & Son (Fenton) Limited

AUTHORISFD and ISSUED

260,000 10%, Cumulative Preference Shares of £1 each

The Council of The Stock Exchange has admitted to the Official List the 260,000 10%, Cumulative Preference Shares

Particulars relating to the 10° Preference Shares are available in the Statistical Service of Extel Statistical Services

Imited and copies of such particulars may be obtained during usual business hours on any weekday (Saturdays and Bank Holidays excepted) up to and including 11th January.

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69 Twinlock 12°; ULS..... 23 Unitoek Holdings ..... 42 Walter Alexander ..... 136 W. S. Yeates New .....

(Incorporated in England under the Companies Act 1929)

which had committed fim before

This is the second attempt to raise funds from the public for Thermo-Skyships, which is plan-

if this second attempt fails it could be obliged to move the whole project abroad.

in contrast. National Mutual

per cent of attaching reversionary

to with profit contracts which capital values over the second half of this year. The company

increased its bonus rate on July

1, 1979 and its intention appears

to be to allow the bonus to reflect market movements and

not to smooth out its effects.

The next reversionary bonus

# **London Life raises bonus** but Natl. Mutual cuts

TWO MORE life companies have has risen since the previous announced changes in their review made in the middle of terminal bonus rates applicable 1979, though capital values have to with profit contracts which fallen over the final six months mature or vest or become death of this year. The annual

relating on or after January 1, reversionary bonus declaration will be made next March. The London Life Association is In contrast, National Mutual lifting its terminal bonus rate on Life Assurance Society has cut the reversionary bonus system its rate from 40 per cent to 30 from 40 per cent to 42 per cent of attaching reversionary bonuses up to a maximum of 60 per cent of the basic benefit twenty-second January (previous maximum 58 per cent). On simple honus pension business, the special bonus annuity will be 30 per cent of the existing bonus annuities as

against 29 per cent.
On the Reduction of Premium System, the bonus for the 6th-68th series is 0.78 per cent of the sum assured for each complete year up to a maximum of 27 years against 0.75 per cent, while for other series it is 0.625 per cent (0.60) of the sum assured for each year in force.

terminal bonuses two years ago, and it bases this rate on the capital performance of its investments

On this method, the average

PREVENTION OF FRAUD (INVESTMENTS) ACT (1958) NOTICE IS HEREBY GIVEN THAT

1 CHEMICAL BANK INTER.
NATIONAL LIMITED of Union Court,
33 Old Broad Street, London EC2N

1EA, has relinquished the Principal's
licence issued pursuant to Section
3 of the Act, having been declared
an exempted dealer under Section

16.

16.

CHEMICAL BANK INTERNATIONAL LIMITED has made application to the Department of Trade pursuant to Regulation 5 of the Prevention of Fraud (Investments) Deposit Regulation 1944 (SR & O 194A No. 541) for the release of 5500 deposited in pursuance of Section 4 of the Act

Section 4 of the Act
3. Any persons having claim on the funds representing the deposit should send their names and addresses and details of their claim to the Assistant Secretary. Companies Division, Department of Trade, Sanctuary Buildings. Great Smith Street, London, SW1, not later than January 17th, 1980.

City Wall House

London EC4 9DR 28th December, 1979.

11.9 5.5 7.1

14/16 Finsbury Street.

Price Change Div (p)

† Accounts prepared under provisions of SSAP 15.

# declaration will be for the two-year period ending December Seafield **Gentex**

in profit over the previous two years, thus AFTER FOUR years of losses, introducing an element of Irish textile manufacturer Irish textile manufacturer Seafield Gentex reports a turnround to a pre-tax surplus of \$45,243 for the 12 months to September 28, 1979, compared to a £48,872 deficit last time. With sales virtually static at £13.1m (£13.01m), profits at the trading level increased from £432.796 to £650.718, including associates £82,245 (£45,653) and £149,275 in respect of the Employment Maintenance

After a tax credit of £43.961 (£39.098) and an extraordinary credit of £114,952 (£575,776 debit) relating mainly to the sale of surplus property, the attributable surplus emerges at £204,156 (£585,550 loss). Earnings per 25p ordinary share are shown as 2.08p (0.23p loss) before the extraordinary items, and 4.78p (13.7p loss) after.

				_
Į	SPAIN			
į		Price		
•	December 27	•4	+ 01	_
	Banco Bilbao	208	+2	
	Banco Central	224	+4	
	Banco Exterior	215	+3	
	Banco Hispano	216	+5	
	Banco Ind. Cat	137	٠-	
	Banco Madrid	175	_	
	Banco Santander	250	+5	
		196	TJ	
	Banco Urquijo			
	Banco Vizcaya	218	+4	
	Banco Zaragoza	200	_	
	Dragados	100	_	
,	Espanola Zinc	58	_	
	Fecsa	61	-2	
	Gal. Preciados	24 5	1.5	
ı	Hidrola	63.5	- T.O	
	lberduero	63.2	-0.3	
	Petroleos	112	+2	
ľ	Potrofiber	73	_	
	Sogefies	115	_	
	Telefonica	57	-0.2	
i	Union Flact	RRF	-0.2	

# BANK RETURN

	Monday Dec. 24 1979	Increase :+1 or Decrease : for week
BANKING	DEPARTME	NT
Liabrlities Capital Public Deposits Special Deposits Bankers Deposits Reserves & other Accounts	: 467,989,357	£
ASSETS Government Securities Advances & Other Accounts Premises Equipment & Other Secs. Notes	164,298,648 268,508,670 24,529,555 264,711	- 61,700,000 + 9,388,968 - 15,653,142 + 401,425 + 5,665
issue i	1,988,862,908 DEPARTMEN	- 67,657,084
Liabilities ;	£	! <b>£</b>
Notes Issued In Circulation In Banking Department	10,775,000,000 10,750,470,445 24,539,585	- 401,425 + 401,425
ASSETS Government Debt. Other Government Securities	11,015,190 9,319,437,874 1.444,547,026	+ 612 - 612
	10,775,000,000	-

**BIDS AND DEALS** 

# Booker looking to expand Nickel rescues food wholesaling business | Hampton Areas

Booker McConnell, the international food, engineering and trading group, is talking with International Stores, the UK food distribution subsidiary of BAT inquistries, about buying Kearley and Tonge, International's food Reariey operates 60 cash and

carry wholesale warehouses and has an annual turnover of over £150m. Last year Kearly acquired Alliance Wholesale Grocers which virtually doubled its activities, with particular emphasis on cash and carry wholesaling. Booker's food distribution divi-

sion, which represents 61 per cent of group turnover, is now recovering after a setback in 1978-79. Last year's trading profits were down from £5.5m to £3.3m on a £370m turnover but in the first half of the current year margins have improved. In

### **BOARD MEETINGS**

The foliowing complinies have notified dites of board meetings to the Stock arise of the much muchings are usually asid for the purpose of considering a vidends. Official indications are not containes of metal make and are the contained and interms or make and the sub-divisions snown below are baser mainly an last per simulable FUTURE DATES

FUTURE DATES
INTERIMS—
Associated Newspapers Jan. 11
Geller (A and J) Jan. 17
Howden Group Jan. 2
Aybook Jan. 18
Stock Conversion and Inv. Tst. Jan. 16
Varidington (John) Jan. 10
FINALS—
For Briss Jan. 14

panies and the Budgen. Wavy Line and Mace supermarket in chains.

the six months to June trading profits have moved up from concentrating on developing its concert now control 50.2 per ce f1.44m to £2.36m, on a turnover of £1.84.3m (£158.1m). The division takes in both wholesale comfitted in. The group acquired remain open until January 10.

### Talks between the two groups began about a formight ago but yesterday neither party would commit itself to a finishing date. The market 100 remained un-moved and the shares were

Turismo has

Kearley along with International Stores in 1972. In May this year BAT bought the Argos discount

stores for £35m and shortly afterwards paid £25m for the

Mac Markets supermarket chain.

Inmobiliaria Bio-Bio for Auto-fagasta (Chifi) and Bolivia Rail-way Co. has received acceptances in respect of £206.676 of the ordinary stock and £161.914 of the preference.
Turismo and parties acting in

50.2% of FAGS

The offer by Turismo E

concert now control 50.2 per cent of FAGS. The offer, which has

# Highland strongly opposed to Hiram Walker offer

Highland Distilleries, the of 130p per share represents a owned subsidiary's sales of the Scotch whisky group well known multiple of nearly 17 times High-for the "Famous Grouse" land's earnings for the year owns."

brand, is planning its formal represents a owned subsidiary's sales of the Famous Grouse brand which it land's earnings for the year owns."

ended August 31, 1979—over 30 times if a full tax charge is assumed," the document explains.

Worts of Canada.

A rejection decorrect decorrect decorrect and subsidiary's sales of the Famous Grouse brand which it cannot determine the level of dividend, nor has it any effective decorrect de

A rejection document detailing the Highland Board's reasons for resisting the offer will be despatched to shareholders in the document that the good time before the close of the Hiram Walker offer on January

Mr. John Maephail, Highland's chairman, said yesterday, "we do not welcome the offer in the least. It will be fought vigorously."

Highland warmed to the battle

yesterday as Hiram issued its formal offer document to High-

land shareholders.
On the stock market Highland's shares fell 1p to 143p. This compares with Hiram's offer of 130% in cash for each High-land share with an alternative

35.4 per cent in Robertson and markets the Famous Grouse; Baxter and the potential of "The Robertson and Baxter and High-Famous Grouse," Hiram says that land are paid for the whiskies its offer price amounts to nearly and services which they supply.
21 times the book value of High- In addition Robertson and

that in the Scotch whisky in net revenue surplus, which is dustry, as in other industries, the broadly the pre-tax profit, value of assets is a function of "In short," says Mr. Hatch, what they will contribute to "Highland gets only 50 per cent

production and marketing of The Famous Grouse is a joint venture netween Highland and its wholly owned subsidiary. Gloag, and Robertson and Baxter. The joint venture originated in 1971 but is

now the subject of an agreement made in 1977. In arguing that Highland only receives 50 per cent of the benefits of its wholly owned subsidiary's sales of the Famous Grouse brand which it owns, Mr.

Hatch details the salient features

the agreement. Under the agreement Robert-son and Baxter supplies and of a nominal value equivalent to the amount of the eash consideration. to the amount of the cash consideration.

In its document Hiram says that Highland's assets are essentially its stocks of whiskies, its distilleries and related facilities, its shareholding of in the hrand: Gloag bottles and Bayton and Bayton and says in the hrand: Gloag bottles and Bayton and says in the hrand: Gloag bottles and says in the Famous Grouse brand, undertakes the blending and has a responsibility for the make-up of the blend: Highland's applies and holds stocks of whiskies, principally make the blending and has a responsibility for the make-up of the blend: Highland's applies and holds stocks of whiskies, principally its stocks of whiskies, and holds stocks of whiskies, principally its stocks of whiskies, and holds stocks of whiskies, principally make the blend: Highland's applies and holds stocks of whiskies, principally make the blend: Highland's applies and holds stocks of whiskies, principally make the blend: Highland's applies and holds stocks of whiskies, principally make the blend: Highland's applies and holds stocks of whiskies, principally make the blend: Highland's applies and holds stocks of whiskies, principally make the blend: Highland's applies and holds stocks of whiskies, principally make the blend: Highland's applies and holds stocks of whiskies, principally make the blend: Highland's applies and holds stocks of whiskies, and holds stocks o the accounts un- ment based upon the net revenue doubtedly undervalue Highland's surplus of Gloag. The annual assets, it should be recognised payment is 50 per cent of the

future earnings. The offer price of the benefits of its wholly

tive rights in the assets of Robertson and Baxter. Robertson and Baxter is a subsidiary of another company, Edrington Holdings. "The 35.4 per cent holding is simply a dividend, yielding investment in a private company. "Furthermore, in addition to

the normal provisions enabling directors to restrict the trans-ferability of shares in a private company, Robertson and Baxier has a specific article designed to discourage foreign shareholding. These are negative factors of which account should be taken in putting a value on Highland's shareholding in Robertson and Buxter. Mr. Macphail, Highland's chair-

man, has indicated to Hiram that it cannot be assumed that the long-standing relationship between Highland and Robertson and Baxter would continue if control of Highland were to change.
If Robertson and Baxter

decided to give six months' notice of termination. Highland would be required to buy out Robertson and Baxter's interest in the Famous Grouse name. Hiram says in its document obtain and retain an interest in

Robertson and Baxter, "On the contrary, on its successful conclusion we would welcome the divestment of Highland's share-

Moilers' has represented Eagle Star in Hong Kong on an agency

# Eagle Star forms HK subsidiary

Eagle Star Insurance Company, HKSôm of which 75 per cent will a member of Eagle Star Holds be field by Eagle Star and the ings, has formed a new Far remainder by the Moller Group. eastern insurance company—the Asian Eagle insurance Company classes of non-life insurance and based in Hong Kong.

its annual premium income is
The company will have an expected to be approaching
authorised and issued capital of HKS5m. It will commence trad-

The company suffered fluctuat-

At a time when Radio Clyde

year, the ITV strike produced an

ing fortunes during the year. A

troubles and bad weather pro-

# **IBA** seeks additional £86,000 from Radio Clyde THE CONTINUING success of profits almost unchanged at Radio Clyde has meant an £200,102 from £197,799. This was

combination

increase in its financial after deduction of £177,005 for commitments to the IBA. The IBA rental and Corporation tax Authority has asked for an additional £86,000, making £230,000

The company suffered fluctualannually, for primary reptal. Although Radio Clyde is con-

tractually bound to pay, Mr. Ian Chapman, the chairman, says he duced a slump in advertising is "surpised" that the IBA has revenue and the company made asked for such a "significant a loss in January and February.

The objective of primary rental, supported regardlessly by Radio Clyde, is to see profitable looked as though it might not reach its targets for the financial stations make a wider contribuindustry as a whole.

In the year to September 30, 1979, Radio Clyde reported

tinue to maintain agencies on behalf of Eagle Star as well as maintaining its other existing insurance agency representa-The formation of this new company represents a move by Eagle Star to expand its involve

basis since 1963

ment in the Far East, with particular emphasis on business in Hong Kong, Singapore. Malaysia and Indonesia. Sir Denis Mountain, chairman and managing director of Eagle Star, will be the chairman of

Asian Eagle, while Mr. J. A. Walsh, general manager overseas and Mr. I. F. M. Milne, assistant general manager overseas, will become directors. SOUTH CROFTY

Saint Piran, the troubled mining group which is the sub-

ject of a Department of Trade investigation, continues to in-crease its stake in fellow Cornish tin miner. South Crofty. Yesterunexpected increase in revenue day it announced that its hold-in September and effectively ing had increased from 55.5 per cancelled out the earlier losses. cent to 56.4 per cent.

### **EUROPEAN OPTIONS EXCHANGE** Jan. April July i. Last Vol. Last Vol. Last Stock

AKZ C AKZ C AKZ P AKZ P AKZ P ARB C CSF C HG C KLM C	F.23.50 F.25.50 F.22.50 F.27.50 F.65 F.440 F.22.50 F.70	- - - 5 - -	4.30	20 82  - - 3 2	2.70 0.80 	30 20 7 3 -	2.10 1.10 1.20 4 2.80	F.55.10 F.56.10 F.440 F.20.00 F.74
KLM C KLM C KLM C KLM P KLM P NN C NN C NN C PHI C PHI P	F.80 F.100 F.70 F.80 F.100 F.125 F.125 F.20 F.22.50	16 	0.60 	11 15 10 2 	3.70 1.40 0.70 5.90 6.40 3.50	3 	2.50 	F.119
PSA C RD C C RD P RD P RD P RD P RD I C C UNI C C UNI C C UNI C	F.280 F.145 F.150 F.160 F.145 F.190 F.115 F.120 F.125	11 142 75 5 41 10	5.20 2.10 0.30 0.30 0.80 3.40	1	7.50 5.10 2.90 4 12.80 6.50	29 :	4,30 	F.270 F.147.5
BA C BA C OXY C SLB C	\$45. \$50 \$20 \$100 OLUME IN	Fol 5 1 2 CONT	7 31 <sub>2</sub> . 75 21 <sub>2</sub> .	Ма; 4 —	55 <sub>8</sub>	Au - ; - ; - ; - ;		5503; 5275; 5921;
_	(	=Call			P=Put			

MINING NEWS

BY KENNETH MARSTON, MINING EDITOR

Gold Mining Areas must now be very glad that in July it decided not to go shead with a deal whereby it would sell its royalties on part of Western Mining's Australian nickel production to Colonial Mutual Life Assurance. These royalties, which are

based on the realisable value of nickel sales rather than profits nickel sales rather than prous of the mining operations, are responsible for the advance in Hampion Areas' net profits for the six months to September 30. They amount to £252,000 (before an extraordinary debit of £62,000) compared with £103,000 a near against the total for the a year ago and the total for the 12 months to March 31 of £566,000.

Exchange deficit Profit before tex Taxation Extraordinary debit ...

The company's other interests have fared less well and total profits from them have fallen sharply. In the UK, Great Row Colliery has traded satisfactorily but the Wultex Machine sub-sidiary has been hit by the engineering strike.

In Australia, development of the 50 per cent-owned Northamp-ton Lead Mines venture has been between Hampton Areas and its partners. The company paid A\$100,00 (£50,000) for its stake in the potential small lead mine total of A\$350,000. The future of the project

not clear, but the ore deposit could still prove to be a commercial proposition and Hampton Areas may be able to come to some new arrangement, possibly a sale of its interest.

comment Apart from the uncertainty

overhanging the investment in Northanipton Lead a good year is in prospect for Hampton Areas. Earnings for the second half should show a further sub-stantial increase in line with

THE UK-registered Hampton anticipated record nickel royal ties following higher prices for the metal. Great Row should be better and providing that an

UK steel strike does not upsethings the outlook is for a improvement at Wulter. There is thus the prospect of an increase in the final divident following the unchanged interin of 1.5p pet which is now declared. The shares were 245; yesterday.

### New silver operations MEXICO's Minera Raet de Angeles, which is 34 per cent

owned by Canada's Place.
Development, is to take to production its silver-lead-zinc
property in the State of Zacate. cas. According to Placer, financing for the USS150m (£85m) project still has to be arranged.

Placer's partners are the Mexican Government and Frisco SA de CV, each of which has a 33 per cent stake. Ore reserves are put at 55m tonnes grading an average 75 grammes of silver per tonne. I per cent lead, 0.9 per cent zinc and 0.015 per cent

Production is expected to start in 1982. It will be at a projected annual rate of 225 tonnes silver and 32,000 tonnes of lead in one concentrate plus 26,000 tonnes zinc and 415 tonnes cadmium in a second concentrate. Also encouraged by the high price of silver, four U.S. com panies plan to reopen Consoli dated Silver Corporation's Silver Summit mine near Osburn, Idahn

Partners in the U.S. venture are Hecla Mining. Coour d'Alens Mines, Silver Dollar Mining and Sumhine Mining.

In addition to reopening the mine the joint venture also will mine the joint venture also will. begin "an extensive exploration programme" on Consolidated Silver's mining properties. Total expenditures are ex-

pected to be more than SIIm over the next five years. The joint venture partners will advance all funds and after recouping their costs will pay to of the profits from any ore

# RTZ group signs a new Malaysian tin deal

Malaysia has been signed by the Fields of Australia AS19.17m Rio Tinto-Zine group's Conzine (£9.6m) for its 64.32 per cent Riotinto Malaysia which is stake in Bellembi and to make a wholly owned by Conzine Riosimilar offer to minority interests, tinto of Australia. CRM has McIwraith already has an formed a joint venture company interest in the coal company and with a Pahang State Government purchase of the CGFA stake agency to mine 3.000 acres of tin land in the state.

The new company, Modal Seri Pandan Son, is 70 per cent-owned by the state and 30 per cent by CRM. After the signing of the acreement the Pahang Chief Minister, Abdul Rahim Abu Bakar, said that the MS18m (f3.33m) project at Sungai Pandan would start production early dan, would start production early in 1982.

He added that intensive prospecting carried out since 1974 had shown that the area held a lurge tin deposit which could last for 25 years. But he gave no figures for the reserves or for

the projected extraction rate.
Meanwhile, Malaysia's Primary Industries Minister, Mr. Paul Leong, has said that it may be necessary to improve the investment climate for international mining companies in Malaysia to stimulate exploration for, and development of, non-alluvial tin

and other minerals.

Noting that Malaysia now faces a rapid depletion of alluvial tin deposits, he said mining companies will not commit themselves to the high risks and large capital outlay involved in exploration and development unless adequate guarantees are

**ROUND-UP** 

Bellambi Coal has been approved by the Australian Foreign Investment Review Board. As previously reported, the two companies tively.

which give it and Shell a joint 77 per cent of Bellambi's issued

Australia's Western Mining Corporation Holdings and Western Mining said their takenver offer for BH South has resulted in acceptances totalling 46.9 per cent of South's issued capital of 55.55m shares. Western Mining added that it will extend the closing date for acceptances to

December 28 deadline.

\* \* \* \*
Atlas Steels, a division of the Rio Tinto-Zine group's Canadian Rio Algom, announces that stain-less steelmaking operations at its Tracy. Quebec plant, are being scheduled to start up early in January. The announcement was made following ratification by union members past few days of both a govern-ment mediator's report and a back-to-work agreement. The 350 production and maintenance workers, represented by the Con-federation of National Trade Unions, have been out since last March.

China has completed construction of two large gold mines in coastal Shandong Province about 500 kilometres south of Peking, the official Xinhua news agency ROUND-UP

The joint bid by Shell of jects of the Jiaojia and Xincheng Australia and shipping group gold mines handle 500 tons of McIlwraith McEachern for ore dail, it said. The mines were discovered at the end of the 1960s and construction was begun in 1975 and 1976 respec-

### **BASE LENDING RATES** A.B.N. Bank 17 % Hambros Bank 17 % Allied Irish Bank 17 % Hill Samuel 17 % Amro Bank 17 % C. Hoare & Co. 17 %

Allied Irish Bank 17 % Hill Samuel \$17 Amro Bank 17 % C. Hoare & Co. 17 % American Express Bk 17 % Lulian S. Hodge 18 Hongkong & Shanghai 17 Henry Ansbacher 17 % Associates Cap. Corp. 17 % Eanco de Bilbao 17 % Bank of Credit & Cmce. 17 % Bank of Cyprus 17 % Bank of N.S.W. 17 % Banque Belge Ltd. 17 % Banque du Rhone et de la Tamise S.A. 171% Mational Westminster 17 % Hongkong & Shanghai 17 % Industrial Bk. of Scot. 171% Keyser Ullmann .... 17 % Knowsley & Co. Ltd ... 181% Knowsley & Co. Ltg. 15e-76
Lloyds Bank 17 %
London Mercantile 17 %
London Mercantile 17 %
Tidland Bank 17 %
Samuel Montagu 17 %
Morgan Grenfell 17 %
National Westminster 17 %
Norwich General Trust 17 %
D S Refson & Co. 17 % Banque du Rhone et de
la Tamise S.A. 17 %
Barclays Bank 17 %
Bremar Holdings Ltd. 18 %
1. Bank of Mid. East 17 %
1. Bank of Mid. East 17 %
1. Brown Shipley 17 %
1. Cayzer Ltd. 17 %
1. Cayzer Ltd. 17 %
1. Charterhouse Japhet 17 %
1. Charterhouse Japhet 17 %
1. Choulartons 17 %
1. Cooperative Bank 17 %
1. Cooperative Bank 17 %
1. Corinthian Secs. 17 %
1. The Cyprus Popular Bk. 17 %
1. Duncan Lawrie 17 %
1. The Eagil Trust 17 %
1. The Ea Whiteaway Laidlaw ... 1715 Williams & Glyn's ... 17 5 Yorkshire Bank ...... 17 5 Easil Trust 17 %
Easil Trust 17 %
E. T. Trust Limited 17 %
First Nat. Fin. Corp. 181%
First Nat. Secs. Ltd. 18 %
Robert Fraser 18 %
Greybound Guaranty 17 %
Grindlays Bank 117 %
Guinness Mahon 17 %
Demand deposits 19%. Up to 125.00 19%. Members of the Accepting Houses Committee. 7-day deposits 15%, 1-month deposits 15½%. 7-day deposits on sums of £10,000 and under 15%, up to £25,000 15%, and over £25,000 15%.

# Companies and Markets CURRENCIES, MONEY and GOLD

# Dollar weak, pound firm

THE DOLLAR came under selling pressure in thin trading after the Christmas holiday. while the main influence was commercial business for book squaring ahead of the year end. News of a building up of Soviet troops in Afghanistan increased nervousness in the market and the dollar finished only slightly above the record low touched against the D-mark at the heginning of December. The U.S. currency fell to DM 1.7165 from DM 1.7300 against the D-mark, and to SwFr 1.5800 from SwFr 1.6000 in terms of the Swiss franc. On Bank above the record low touched of England figures (taken at noon) the dollar's trade-weighted index was unchanged at 85.1.

Sterling was very strong, rising to its highest level since mid-September. Its trade-weighted index, as calculated by the Bank of England, rose to 70.5 from 69.8, after standing at 70.2 at noon and 69.9 in the morning. The pound opened at \$2.2120-2.2140, the lowest level of the day, and advanced to a peak of \$2.2490-2.2500 in the afternoon, before closing at \$2.2390-2.2410, a rise of 3.274 cents on the day. FRANKFURT—The Bundesbank bought \$15m when the dollar was fixed at DM 1.7239 against the D-mark, compared with DM 1.7402 previously. Trading was thin however, with the central bank support considered a move to prevent the U.S. currency from weakening too far before the end of the

MILAN—The dollar fell to Outside the EMS sthrling rose L804.70 from L807.70 against the to DKr 1,188.55 from lira at the fixing, after the DKr 1,182.70, while the dollar Christmas holiday on Tuesday fell to DKr 535.10 from and Wednesday. Sterling DKr 538.50. The Swedish krona declined to L1,792 from L1,781.50, improved to DKr 1.2867 from but the Swiss franc rose to DKr 1.2847, but the Norwegian L507.25 from L503.50. Members krone eased to DKr 1.0745 from

86- 85- 84 CANADIAN	88	25 Conts
84 CANADIAN	87	A
84 L CANADIAN	86	HAMA
84) CANADIÁN	85	- <del>                                    </del>
	84	CANADIAN

firmer against the lira, although the Danish krone fell to L150.74 from L152.28. The D-mark improved to L467 from L465.25 and the French Irane to L460.25 and the L460.25 and the L460.25 and the L460.25 and the L460.25 and th

COPENHAGEN-The

krone eased slightly against most members of the European Monetary System, but improved against the dollar, Japanese yea and Norwegian krone. The and Norwegian krone. The D-mark rose to DKr 3.1060 from DKr 3.0945; the French france to DKr 1.3283 from DKr 1.3250; the Dutch guilders to DKr 2.8095 from DKr 2.8085; the Belgian franc to DKr 1.907 per 100 from DKr 19.06; and the Italian from DKr 13.05; and the manan-lira to DKr 6.6780 per 1,000 lira from DKr 6.6600. On the other hand the Irish punt fell to DKr 1,1430.50 from DKr 1.148.

EMS	EUROP	EAN CU	RRENCY	UNIT	RATES

	ECU central rates	Currency amounts against ECU December 27	% change from central rate	", change adjusted for divergence	Divergence
Belgian Franc	39.7897	40.3432	+1.39	+1.39	+1.53
Danish Krone .	7.72336	7.70096	- <b>8.29</b>	~0.29	±1.64
German D-Mark	2,48208	2.48302	+0.04	+0.04	<del>-</del> 1.125
French Franc	5.84700	5.80492	-0.72	~0.72	±1.3557
Dulch Guilder	2.74362	2.74602	+0.09	+0.09	÷1.512
Irish Punt	0.663201	0.675185	+1.05	+1.05	+1.668
Italian Lira	1157.79	1159.90	÷9.18	+0.18	±4.08
Channe		Cil shanders			_

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

### THE POUND SPOT AND FORWARD

Dec. 27	Qay's Spread	Close	One month	% p.a.	Three months	p.a.
U.S.	2.2120-2.2500	2.2390-2.2410	0.40-0.30c pm	1.87	1,02-0.92 pm	
Canada	2.5985-2.6400	2,8290-2.6320	0 50-0.40c pm		1.53-1.43 pm	
Nethind.	4.22-4.26	4.24-4.25	17s-7sc pm	3.88	41-31 pm	3.65
Bolgium	62.25-62.75	62.55-62.70	17-7e pm	2.30	37-27 pm	2.04
Denmark	11.82-11.98	11.95-11.961	1-3ore dis			-2.51
treland .	1.0350-1.0500	1.0450-1.0460	^.05-0.15p dis	-1.15	0.20-0.30dis	-0.95
W. Ger.	3.81-3.86	3.84-3.85	24-14p pm	7.02	7½-6½ pm	7,28
Portugal	110.15-112.00	111.40-111.70	15-65c dis	-4,30	50-150 dis	-3.58
Spain	146.50-148.50	148,10-148.35	'-100c dis	-6.07	105-205 dis	-4,18
ltaly	1,780-1,805	1,8017-1,8037	': lire dis	- 3.66	dis پ <sup>1</sup> 51 ج13 <sup>1</sup>	-3.22
Norway	11.01-11.12	11.05%-11.07%	' Jagro Pitt	1.35	8³6¹; pm	2.71
France	8.93-9.01	8.974-8.99%	2-1c pm		512-412 pm	2,22
Sweden	9.21-9.32	9.301-9.3112	2ore pm-par	1.29	5-3 pm	1.72
Japan	528-539	535-537	3.95-3.40y pm		10.40-9.90 pm	
Austria	27.40-27.80	27.58-27.68	17-7gro pm	5.21	55-45 pm	7.24
Switz.	3.51 <sup>1</sup> 2-3.55	3.534-3.544	4-3c pm	11.87	10-9 pm	10.74

Belgian rate is for convertible trancs. Financial franc 64.95-65.05. Six-month forward deliar 1.87-1.82c pm, 12-month 3.75-3.65c pm.

### THE DOLLAR SPOT AND FORWARD

	Day's			%	Three	%
Dec. 27	Spread	Close	One month	p.a.	months	p.a.
UK†	2,2120-2,2500	2.2390-2.2410	0.40-0.30c pm	1.87	1.02-0.92 pm	1.73
Irelandt	2.1410-2.1450	2.1415-2.1435	_	-		_
Canada	1.1745-1.1756	1.1751-1.1756	0.01cpm-0.02dis	-0.51	0.21-0,17 pm	0.65
Nethind.	1,9060-1.9100	1.9060-1.9080	0.23-0,13c pm	1.13	0.90-0.80 pm	1.78
Belgium	27.94-28.15	27.94-27.97	7½c pm-par	0.32	3 pm-per	0.21
Denmark	5.3375-5.3475	5.3375-5.3400	1.50-2.00are dis	-3.93	4.00-4.50dis	-3.18
W. Ger.	1 7160-1.7265	1.7180-1.7170	0.70-0.60pt pm	4.54	2.40-2.30 pm	5,48
Portugal	49.75-49.90	49.7₹ <b>⊳</b> 49.85	15-25c dis	-4.82	45-75 dis	-4.82
Spein	66.20-66.27	66,22-66,25	25-45c dis			-5.43
italy	803.50-804.90	804.50-804.90	3-5 lire dis			-5.22
Norway	4.8445-4.9860	4.9445-4.9485	0.30-0.80ote dis		1.50-1.00 pm	1.01
France	4.0100-4.0500	4.0100-4,0150	0.25c pm-par	0.37	0.80-0.30 pm	0.55
Swoden	4.1560-4 1675	4 1560-4.1580	0.20-0.40ors dis		0.05-0.15dis	<b>- 0.10</b>
lapan	<i>239 0</i> 0-240.10	<i>2</i> 39. <i>2</i> 0-239.30	1.30-1.15y pm		3.60-3.40 pm	5.85
Augtria	12.325-12.414	12.3214-12.3414	0.50gropm-1.50ds		18.00-14.00pm	
Switz	1.5780-1.5940	1.5795-1.5805	1 40-1.30c pm	10.25	3.60-3.50 pm	8.99

f UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY RA	ATES
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CURH	ENC	Y KA	IES	CORRENCY	MOVE	MENT
Dec. 26			European Currency Unit	Dec. 27		Morgan Guaranti changes
terling  I.S. S.  Lanadian S.  Lustra Sch  Leiglan F.  Lanish K.  Mark  Luider  Lench Fr.  Lira  en  orwgn. Kr.  panish Kr.  wedish Kr.  wedish Kr.  wess Fr.	5 912 95 15 61: 9	,,	avail.	Sterling U.S. dollar Canadian dollar Austrian schilling Beigian franc Dautsche mark Swiss franc Guilder French franc Lira Yen Based on trade we Washington agreen (Bank of England In	80,4 158,5 115,5 110,5 138,8 204,6 126,2 102,9 55,1 117,8 ighted cha	nber, 197

### OTHER MARKETS

•	Dec. 27	1 g	<b>.</b> 5	i :	Note Rates
	Argentina Peso	n'a	n/a	Austria	
	Australia Dollar Brazil Cruzeiro			Beigium	64,50-65,10 11.82-11.89
	Finland Markka Greek Drachma			FranceGermany	8,92-8.98 3.81-3.84
	Hong Kong Dollar	11,0600-11.0700	4.9410-4,8450	italy	1750-1810
	Iran Rial (KD)	n!a 0.610 0.615	n:a 0.2739-0.2740	Uapan	533-538 4.21-4.24
	Luxembourg Frc.	62.55-62.70	27,94-27,96	Norway	11.07-11.14 109-116
	New Zealand Otr.	2.2500-2.2560	1.0160-1.0175	Portugal Spain	145115319
	Saudi Arab. Riyal, Singapore Dollar.	7.45.7.55 4.8540.4.8560	3,3680-3,3695: 2,1670-2,1680	Switzerland United States	3.51-3.54 2.2314-2.241 <sub>4</sub>
	Sth. African Rand	1.8220.1.8250	0.8260-0.8265	Yugoslavia	4612-48

CROSS	RATES
	CROSS

.1 /1t

Dec. 27	PoundSterling	U.S. Dollar	Deutschem	k Japan se Yen	FrenchFranc	Swiss Franc	Dutch Guild'r	Italian Lira	Canada Dolla	rBelglan Franc
Pound Sterling	0.446	2.340	3.845	536.0	8.988	3 538	4,248	1803.	2.631	\$2.63
U.S. Dollar		I.	1.717	239.3	4.012	1.579	1,896	804.7	1,174	27.96
Deutschemark	0.260	0.583	1.	139.4	2.337	0.920	1.105	-168.8	0.684	16.29
Japanese Yen 1,000	1.866	4.179	7,174	1000	16.77	6.600	7.924	3363.	4.908	116,8
French Franc 10	1.113	2,492	4.278	.696.4	10.	3.936	4.726	2006.	2,927	69.68
Swiss Franc	0.283	0,633	1.087	151.5	8.541	1.	1.201	509.5	0,744	17.70
Dutch Guilder Italian Ura 1,000	0.235 0.555	0.527 1,243	0,905 2.138	136.2	2.116 4.986	0.833 1.963	2.356	424.4 1000.	0.619 1,459	14.74 34.74
Canadian Dollar	0,380	0,852	1.462	203.8	3.417	1.345	1,615	685.2	1.	· 25.81
Belgian Franc 100	1,597	8,577		855.9	14.35	5.649	6.782	2878.	4,200	100.

**EURO-CURRENCY INTEREST RATES** 

The following nominal rates were quoted for London dollar certificates of deposit: one month 14.50-14.60 per cent; three months 14.50-14.60 per cent; six months 14.25-14.35 per cent; one year 12.80-13.00 per cent.

Dec. 27	Sterling	U.S. Dollar	Canadian Dollar	Dutch Gulider	Swiss Franc	West German	French Franc	Italian Lira	Asian \$	Japanese Yen
ishort term	16/8-16/2 16/8-16/2 16/8-17 16/3-17/8 16/3-17/2 16/3-16/2	13/3-14/2 14-14/3 14/2-14/3 14/2-15/2 14/2-15/2 13/3-13/3	1212-1512 1212-1512 1312-1578 1514-1558 1214-1558 1214-1558	123-1314 123-1312 124-1312 124-127 124-13 111-111-111-111-111-111-111-111-111-	212-3 3-312 518-514 578-6 511-61 512-518	20 21 11 11 11 12 9 11 9 14 9 14 9 15 8 16 8 15 8 16 8 15	113-1214 115-1214 1518-1436 14-1412 13-14-1412	16 30 171: 224 184: 211: 19:204 161: 193: 17:18	1512-1542 1414-1458 1434-1478 1434-147, 151, 151,	51: 87: 5. 7: 8. 9: 859.91a 9.91: 7. 839

Long-term Eurodollar two years  $12^n_1\cdot 12^n_4$  per cent; three years  $12\cdot 12^n_4$  per cent; four years  $17^n_1\cdot 12$  per cent; five years  $11^n_1\cdot 12^n_4$  per cent; normal closing rates. Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two-day cell for guilders and Swiss francs. Asian rates are closing rates in Singapore.

### INTERNATIONAL MONEY MARKET

# **Ouiet trading**

Trading was predictably quiet bill yields opened a little higher on the first day after the in quiet trading, with 13-week Christmas break, and interest bills at 12.04 per cent from 12.02 rates in Europe showed little overall movement. The one exception was the rate on German short-term funds, with 11.83 per cent. Federal funds were quoted at 14 per cent, sharply higher than 8.70-funds were probably found 8.80 per cent last Friday.

Longer term rates showed as the property of the propert Longer term rates showed an easier tendency however, with one-month money at 9.60-9.80 per cent against 9.75-9.85 per cent previously, and three-month at 9.25-9.40 per sections of the company of the section of the se 9.25-9.40 per cent compared with 9.55-9.65 per cent. The sk-month rate fell to 8.75-8.90 per cent from 8.90-9.00 per cent, while 12-month money remained at 8.40-8.60 per cent.

8.40-8.60 per cent.
PARIS—Trading was extremely quiet and interest rates showed little movement. Call money was quoted at 12 per cent, unchanged from previously, with one-month funds steady at 121-12? per cent The three-month rate edged lower to 121-124 per cent from 123-124 per cent and the 12-month rate was down at 12/k-13/k per cent from 12/k-12/k

AMSTERDAM — Short-term funds appeared to be easily obtained yesterday, with call money falling to 11-12 per cent from 14-141 per cent and longer-term rates also showed a fairly sharp decline. One-month money fell to 131-14 per cent from 15-151 per cent and the three-month rate was lower at 14-14; per cent against 141-147 per cent pre-viously. Six-month money eased to 12-121 per cent from 121-13 NEW YORK - U.S. Treasury

	-
MONEY RATES	
NEW YORK	, 15-154
Fed. Funds Treasury Bills (13-week) Treasury Bills (26-week)	14 12.04 11.88
GERMANY Discount Rate	
Overnight Rate	10.25 9.70 9.325
Three months'	8.826
FRANCE Discount Rese	9.5
Overnight Rate One month Three months	12.0 12.3125 12.625
Six months	12.5825
JAPAN	

**GOLD** 

per cent previously and 26-week bills at 11.88 per cent compared

BRUSSELS - Deposit rates for the Belgian franc (commer-

cial) were quoted at 14:-14; per

cent for one-month and 143-143

# **Continued rise**

Gold rose above the \$500 level in very thin trading, with several London dealers hardly involved in the market, which effectively closed soon after lunch at \$510-512—a rise of \$231 from Monday. There was no afternoon fixing, but the metal was fixed at \$508,75 in the morning. News from Washington that the Soviet Union had moved troops and military equipment into Afghanistan continued to push the price up, while another factor may have been the forth- with DM coming IMF gold auction next previously.

After London closed the price continued to advance in New York, touching

In Paris the 121 kilo gold bar was fixed at a record FFr 69,000 per kilo (\$533.13 per ounce), compared with FFr 68,100 (\$523.96) in the morning and FFr 64,500 (\$495.65) Wednesday afternoon.

In Frankfurt the 125 kilo bar was fixed at DM 28,210 per kilo (\$508.96 per ounce) compared with DM 26,600 (\$474.96)

	cent for one-month and 143-143 per cent for three-month, hardly changed from last Friday. Six-and 12-month deposits were also steady at 141-143 per cent and	push the price factor may ha coming IMF	ve been the	e forth- with	n DMI 26,6	nce) compare 600 (\$474.9)						
•	131-131 per cent respectively.		Dece	amber 27	Dec	December 24						
	HONG KONG — Conditions were generally steady yesterday	Gold Bullion (fine ounce)										
		Close	510-512 55051- 5071-	•••	•	•						
	UK MONEY MARKET	Opening	5508.75	£228,8061	×485.90	£220.4631						
		Afternoon fixing.		•••	• •	(£215.241)						
	Bank of England Minimum			Gald Coins		••						
	Lending Rate 17 per cent	Krugerrand		•	5505-507	(£228(2-231)2)						
	(since November 15, 1979)	Mapleleaf	-		£500-505 £126-127	(£225-229) (£57-58)						
	Dente des realis mos in cond	New Sovereigns.	•••		\$136.127	£62-64)						
	Day-to-day credit was in good	King Sovs	•••		\$13B-140	£62-64						
	supply in the London money	Fr 20 Napoleon			FFr455-480	(SFr180-190,						
	market yesterday, and the	50 pesos Mexico			s590-595							
	authorities mopped up the	100 Cor. Austria			\$460-464 \$554-560							
	surplus by selling a small	\$20 Eagles			\$3131 <sub>2</sub> .3181 <sub>2</sub>							
	amount of Treasury bills direct	\$10 Eagles	•••	•	\$27812-28312							
	to the discount houses. The	\$5 Eagles										
	the second 151											

latter were paying around 154 per cent for secured call loans On the other side banks brought per cent and eased to 15 per cent forward balances some way above at the start, and later balances taken between 15 per cent and 16 per cent, with trading target, and there was a small decrease in the note circulation. finishing around mid-day.

The market was faced with a exceeded revenue transfers to the Exchequer by a small small net take up of Treasury hills to finance and unwinding of a previous sale and

on the forecast, with most business seen between 15 per cent and 15! per cent. Soon Also Government disbursements after 11 am rates started to rise up to 16! per cent, came back briefly to 15! per cent and finished at 17 per cent. In the interbank market, Rates in the table below are repurchase agreement of bills, overnight loans opened at 18-16; nominal in some cases.

### LONDON MONEY RATES

							_			
Dec. 27 . 1979	Sterling Certificate of deposit		Local Authority deposits	Local Auth. negotiable bonds	House	Company		Treasury Birls +	Eligible Bank Bills +	Fine Trade Bills 6
vernight		15.17			_	16	15-1614	. —	( – .	~
days notice		-	1659-1672	• - !	_	. –		-	:	~ ;
days or	· -			. – i	15.	751	153-16	. –		~
days notice		16%-16 <sup>1</sup> 2	1672	:	171a	165,	1636	15H	185 1611	
me month	163a 165a	1616-1612	16la-17	175e-174e	171 <sub>8</sub> 171 <sub>4</sub>	171a	153 <sub>6</sub>	165	16%-164 16%-164	167g 167g
womenths	16 16 te	1634-1678		175 1750	174	1714	16%	15 . 15	16 / 16 1	167a
nres months.	16: 16:	1654-1678	167g-17 165g-161g	171 <sub>8</sub> -16>8 165 <sub>8</sub> -16 <sup>1</sup> 8	167g	1 -7.3	204	-016.40E	16 5 16 2 15 4 15 1	1614
ix months	161-1618	16, 16,	1036-1015	161 154	1514	! =	_ `	_		-2"
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Local authorities and finance houses seven days' notice others seven days fixed. "Long-term local authority mortgage rates nominally three years 15%-15% per cent four years 15%-15% per cent, live years 15%-15% per cent. • Bank bill rates in table are buying rates for prime paper. Buying rate for four-month bank bills 10%-16% per cent; four-month made bills

16% per cent.

Approximate selling rates for one-month Treesury bills 15% per cent: two-month 16% per cent; three-month 15% per cent.

Approximate rates for one-month bank bills 16% per cent: two-month 16% per cent; three-month 16% per cent; three-month 16% per cent; three-month 16% per cent one-month 16% per cent; two-month 16% per cent inter-month 16% per cent inter-

This announcement appears as a matter of record only



# S.A. CROS US \$ 25,000,000

Floating Rate Multicurrency Loan

Managed by

BANCO DE SANTANDER BANK OF AMERICA, S. A. E. CAJA DE PENSIONES PARA LA VEJEZ Y DE AHORROS DE CATALUÑA Y BALEARES (LA CAIXA)

### Provided by

Banco de Santander - Bank of America, S. A. E. Caja de Pensiones para la Vejez y de Ahorros de Cataluña y Baleares (La Caixa) Banco Español de Crédito (Banesto) Caja de Ahorros de Zaragoza, Aragón y Rioja (Cazar) Banque Nationale de Paris (Spanish Branch)

Agent

### BANCO DE SANTANDER



November, 1979

# HILE - INTERNATIONAL

For sale, on orders of the rightful owners, to any local or international interested party or parties. all or part of their holdings and rights in the Chilean business concerns indicated below, up to the percentages shown:-

WAGNER, STEIN Y CIA S.A.C. VINICOLA Y COMERCIAL 84.3% VINOS DE CHILE S.A. "VINEX" 100.0% VINOS SAN PEDRO S.A. 100.0% BODEGA Y VINA ERRAZURIZ PANQUEHUE LTDA 100.0% LICORES Y PRODUCTOS DESPOUY S.S.C. 74.14%

These firms, four corporations and one limited liability partnership, form an important integrated Chilean agricultural and wine industry. Summarily described, their activities are production of grapes, elaboration, storage, distribution, exportation and local sale of wine. They are also agents for the Chilean market of other well known international brands of liquors and spirits.

Business covers the length of Chile through their own agencies and exports are a growing part, which gross approximately U.S.\$50 million yearly sales.

Interested parties must present their bids in accordance with terms indicated in bases which may be requested from: Mr. Luis Mackena, Alameda Bernardo O'Higgins NR 1146. 6th Floor. Office NR 612, Telex ITT 0149, Santiago, Chile.

Cost of full bases and instructions are at 60,000 Chilean pesos (equivalent to approximately U.S.\$1.540).

Bids must be delivered in a sealed envelope to the address indicated above. A bank cheque for a total of 5% of the proposed investment must be enclosed. Bids shall be opened before interested parties on the 18th January 1980 at 12 midday. The corresponding minutes shall be duly entered. Offer prices should be stated in terms of Chilean currency or in U.S. dollars.

Decision shall be taken before January 26th 1980. The owners reserve the right to accept or reject any of the bids presented, without offering reason or cause.

## COMPANY NOTICE

OLD COURT DOLLAR COMMODITY TRUST (CDRs)

Pierson, Holdring & Pierson N.V., Algemene Bank Nederland N.V., Amsterdam Rottordam Bank N.V., Bank Mees & Hope N.V., Kos-Associatie N.V.

AMSTERDAM DEPOSITARY COMPANY N V Amsterdam. December 19th, 1979.

The Association of International Bond Deziers Quotations and Yields appears monthly in the Financial Times. Times. It will be published in an eight-page format on the following dates:

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Philips to

shed more

cable sector

PRILIPS, the Dutch electri-

cal group, plans further cuts in its cable division in the Netherlands. The com-

pany intends to shed nearly

100 jobs, amounting to more

than a quarter of the work-

force at its Draka Kahel sub-

sidiary in Amsterdam and

Increasing competition and

dull markets are the reason

for the cost-cutting measures,

said Draka, which is part of Philips' NKF cable division.

It plans to employ fewer, more-specialised staff, dis-

pose of unwanted machinery

and factory space and stream-

Draka makes Drakaflex

plastic, insulated and co-axial

cables in Amsterdam and rubber and plastic cables at

Emmen, in the north east of

It seeks to shed up to 275 jobs out of 800 in Amster-

dam and up to 100 of the 450 in Emmen. It hopes to

achieve this by natural wastage. The workforce at these two factories has already

been reduced by nearly 700

over the past few years, Draka said. Its proposals are

still being discussed with the

line its administration.

the Netherlands.

jobs in

BY Charles Batchelor

Amsterdam

Emmen.

SOUTH AFRICAN BUSINESS

# The Afrikaner challenge

BY BERNARD SIMON IN JOHANNESBURG

THE WEEK before Christmas Johannesburg Stock Exchange. On Tuesday (December 18),

of its R355m (\$433m) bid for on the development with and Massey Ferguson are part, largest bank, Nedbank, fits. the 49 per cent of Union Corporation which it does not already own. The next day strong demand for gold counters helped push the market to a record high, with the JSE overall index touching 546.1, more than 80 per cent higher than it was in January. Also on Wednesday, South Africa's largest industrial conglomerate. Barlow Rand, revealed that it is spreading its wings into the sugar industry by taking an interest in the C. G. Smith

dominated Genmin says that the English-oriented Unicorp will continue to operate separate company, the takeover is another milestone in the efforts of Afrikaans-speaking South Africans to match their dominance in the country's politics with a higher profile in commerce and industry.

Anglo American, with assets of R4.6bn and a market capi-talisation of R4.3bn, is still far and away the biggest mining house. But Genmin is catching up. In 1973 its assets amounted to only R230m. Genmin Unicorp will be capitalised at R1.47bn with assets worth R2.2bn.

Sharon

Steel to

sue banks

MIAMI-Sharon Steel Cor-

Chase Manhattan Bank,

poration has filed suits against

Manufacturers Hanover Trust and U.S. Trust of New York,

the trustees under indentures

Sharon assumed in connection with its acquisition of UV

It said that it and UV had

been named as defendants in suits over the takeover, filed in

the Federal District Court for the Southern District of New

Under the indentures, UV had issued 51 per cent sub-ordinated debentures due 1995.

S; per cent debentures due 1997

and 94 per cent senior subordi-nated notes due 1987. Aggre-gate principal amount outstand-

ing is about \$95m.

indentures.

Genmin is not sitting still. It assurer, Sanlam, as well as Board is half English, half was one to remember on the recently bought a 10 per cent powerful food, construction and Afrikaans, but its management stake in South Africa's second motor companies. The South is mainly English-speaking. No biggest chemicals producer. African operations of household one is quite sure into which General Mining unveiled details Sentrachem. An aunouncement names like Avis. Toyota, Honda pigeonhole the country's fourth Sentrachem of coalfields in the of Afrikaner-dominated groups.

Northern Transvaal and the Afrikaners entered mass retail-

The bid by General Mining for the 49 per cent of Union Corporation which it does not already own seems to confirm the trend of Afrikaner-dominated groups looking for a bigger share in commerce and industry in South Africa-to give Afrikaners as great a say in business as they have in politics

joint production of coal-based ing for the first time last year petrochemicals is expected early when Federale Chemiese Belegdepartment store and super-

Moreover, Genmin is frequently mentioned as mystery buyer of Consolidated Gold Fields shares. If he does tuck Gold Fields under his belt, Genmin's hard-driving chairman, Dr. Wim de Villiers, will certainly be able to challenge Mr. Harry Oppenheimer as the leader of South Africa's gold

a quarter of private sector assets. They own the country's becoming increasingly difficult third largest bank, Volkskas, to stick an Afrikaans or English tions and the second largest life tag to a company. Safmarine's place.

Aluminium expects to report higher fourth quarter earnings than in the year-ago period, put-

ting the company's net for the year at least 35 per cent above

the record results of 1978, said

Mr. David M. Culver, president and chief executive officer.

Fourth quarter earnings "should be better" than the

year-ago \$88.2m or \$2.05 a share

In the first nine months of this

year, net income, including a

\$21.5m non-recurring gain, was \$305.6m or \$7.55 a share, indicating 1979 earnings in excess of \$389m or \$9.61 a share. However Mr. Culver declined to

on revenues of \$1.03bn.

be more specific.

gings took over the Greatermans

market chain.

Nonetheless, only six of the top 25 industrial companies listed on the JSE can be roughly labelled as Afrikaans-two companies in the Rembrandt liquor and tobacco empire, Safmarine (shipping), Dorbyl (engineering), Sentrachem (chemicals) and Triomf (fertilisers).

mining industry.

Economists estimate that Although Afrikans comAfrikaners now control up to panies still belong to their own chambers of commerce, it is

Alcan sees another peak year

than we expected " and to lower-

than-expected costs in connec-

tion with the resumption of pro-

duction following a strike earlier this year at major smelt-

ing facilities in Quebec. A \$45m

charge against earnings was taken in the second quarter in

anticipation of start-up costs. Mr. Culver did not specify the

amount by which actual costs

have undercut the earlier

Alcan's record 1978 net in-

A further sign that many Afrikaners these days are businessmen first, and everything else second, is the fierce competition among Afrikaansoriented firms in some sectorsnewspapers and banks, for

A commission of inquiry into

anti - monopoly legislation reported two years ago that in third of South Africa's industries, three or fewer com-panies accounted for at least 70 per cent of their industries' turnover. Some of today's best known conglomerates, such as SA Druggists, Fedfood, Bankorp and even Barlow Rand were mere shadows of their present size 10 years ago. Barlow's assets have more than quadrupled since 1973.

As a result of the commiscalled the Maintenance and Promotion of Competition Act. comes into force on January 1. Besides prescribing heavier penalties for companies engaging in restrictive business Government the new power of vetting mergers and acquisi-

strong overseas sales next year,

particularly in Australia and

In North America, however,

the Montreal-based concern

aluminium construction and car parts, while the market for household remodelling

earlier.

come was \$289.4m or \$7.15 a materials, such as aluminium share on revenue of \$3.74bn. siding, remains "good." The

primary and fabricated alu-aluminium products are "not minimum products will be 50,000 bad," and the market for

to 55,000 short tons lower than aluminium containers is still

Total 1979 shipments of cable and electrical markets for

Concerning

South-east Asia

Philips, which is the largest private sector employer in the Netherlands, last month re-ported a rise of 300 to 83,400 in its Dutch workforce in the first nine months of 1979. Alcan prices that "have risen faster fourth quarter to about 395,000 However, the trend of recent tons from 467,000 tons a year years has been for a reduction of its workforce in the Netherlands and the rest of expects to " sell all the metal we Europe and for an increase can produce." Alcan anticipates

An internal study, leaked by the unions at the end of last year, showed the company might have to shed a quarter of its Dutch workforce by 1990 unless it could find new markets and new products. High Dutch wage levels and costly social security premiums have encouraged the company to set up new plant in low-wage countries.

Philips also faces problems at four factories in the Netherlands making television tubes and related components. A meeting with the unions is planned for next month to discuss the situation at the four plants which employ nearly 4.200.

### Chrysler France loss

Chrysler Corporation of the U.S., incurred a loss of 1978, compared with a net profit of FFr 47m in 1977. After-tax sales in 1978 totalled FFr 9.82bn (82.42bn). an increase of 11.5 per cent on the 1977 figure of FFr

At the annual general meeting yesterday the share-holders approved a motion authorising the Board to increase the company's capital to FFr 1.5bn from FFr

The offer would not be made until all necessary regulatory filings had been made and any required clearances obtained, he added. If the offer was made it would be subject to certain conditions — which may be waived by Tracinda—including the absence of litigation and, if required, the offer would be made only by means of a pros-EIB 4<sup>2</sup>, 94
Elet. de Franco 4<sup>3</sup>, 89
Elet. de Franco 4<sup>3</sup>, 89
Hilti 4<sup>2</sup>, 91
ICI Fim, NV 3<sup>2</sup>, 94
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World Bank 4<sup>3</sup>, 89
World Bank 4<sup>3</sup>, 89
World Bank 4<sup>3</sup>, 89

## DM200m bond for Denmark

By Francis Ghilès
A DEUTSCHE-MARK 200m
Eurobond was launched for
Denmark yesterday through
Westdeutsche Landesbank. The first tranche of the issue carries an indicated coupon of 7% per cent for six years and the second an indicated coupon of 81 per cent for 12 years. Both are expected to be priced at Otherwise, international bond markets remained very quiet with trading, especially in London, reduced to a trickle.

# Coupon lifted to 12% on French state loan

BY TERRY DODSWORTH IN PARIS

ing the coupon on the state loan deficit. it is intending to issue in late January to 12 per cent.

This figure compares with a rate of 10.8 per cent on the last issue floated in September, and 9 per cent on the first loan of last year in April.

tinue with its policy of using a series of issues throughout the pared with between 13 and 14 for 1930 has been set year to finance the budget per cent this year. Banks, for FFr 31bn, it is experted the deficit. Last year, it raised a example, are being restricted to it may slip to about FET 500

THE FRENCH Treasury has total of some FFr 15hn through tighter controls in the emunderlined the steady rise in this mechanism, thus financing sion of their lending. interest rates in France by lift- almost half of the FFr 34.7bu

A strong secondary objective of the Government, however, is to help control the money supply by pulling funds out of the financial system into state

The authorities have already The new flotation shows that money supply growth in 1980 the Government intends to conwith an overall objective of cutting it to 11 per cent com-

The new loan is for a to of FFr Son over a period of a years. This total is rath higher than mything offer last year, suggesting both the authorities consider many conditions are now right absorb a sum of this size of that the Government is prepring for a considerably high deficit than last year's.

While the official deficit targ

# Dollar price setback for LKAB

BY WILLIAM DULLFORCE IN STOCKHOLM

ated a 30 per cent price increase for deliveries to the German steel industry in 1980. But the increase will not be enough to return LKAB, the state-owned iron company, to profit, its managing director, Mr.

Part of LRAB's and the dollar has since fallen result.

iron ore exporters, has negoticent required to put it into the naily sought a 37 per cent ated a 30 per cent price increase black, according to Mr. crease but had to have its off West Johansson.

The state company turned in pre-tax losses of SKr 620m cent below their opening after (\$148m) in 1977 and of LKAB's expected total in SKr 675m in 1978. In October, ore deliveries of 27m tonnes the Mr. Johansson forecast an year will be the largest sin operating loss after deprecia- 1974 when the company sol tion but before interest charges over 32m tonnes. Mr. Johannes of around SKr 230m in 1979, fears that 3 downturn in the deliveries had already been con-tracted in dollars at 1979 prices of some SKr 270m over the 1978

MALMEXPORT. the sales provement of only some 25 per levels for other European ex organisation of the Swedish cent compared with the 37 per tomers. Malmexport had only signed contracts at prices 10 p steel industry may affect result next year. Sales forecasts could be upset, for instance, if **Briti**s in value. Thus, in practice The contract with the West Steel workers go on strike nex LKAB will obtain a price im- Germans will set the 1980 price month.

# Ciba-Geigy sheds Sublistatic stake

Ciba-Geigy, of Basle, is to sell its (Peurto Rico) and Subliprint the Swiss company. Camill minority stake in Sublistatic Far East (Hong Kong). Bauer Messinstrumente, a Holding to the majority share—Sublistatic Holding retains 211 Wohlen. a manufacturer of holder, Lainiere de Roubaix. At the same time, Sublistatic, which has subsidiaries in the transfer printing sector, is selling its North and South American and Far Eastern companies to CibaGeigy, These include Sublistatic THE Saarbruecken-based holdCorporation of America (New ing company, Roechling IndusMess-und Regeltechnik.

African Dev. Bk. 8 87,...

Sublistatic Holding retains all its subsidiaries in the transfer printing field in Europe and Africa.

THE SWISS chemical company, York), Corporation Sublistatica trie Verwaltung, has acquire measurement and control equip ment. The German company has also taken over the measure ment and control technolog division of the Basic wholesales

## FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international exists. For further details of these or other be on the second Monday of each month.

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\* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of carriercy, units except for Yen bonds where it is in billions. Change on week entire. Ploating Rate Notes: Denominated in dollars unless otherwise indicated. Coopen shown is minimum. C. die Den next coupon becomes effective. Spread Margin above six-month offered rate (£ three-month; § above seen rate) for U.S. dollars. CoopenThe current couper. C. yid = The current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chy, day = Change on day. Chy, date—First date for conversion into shores. Che, price—Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prama Percentage premium of the current faculties profice of acquiring shares was the bond over the most recent

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# Asarco again boosts Bendix earnings

declined to make a specific forecast or to estimate the percentage of improvement. In the comparable quarter, the diversified manufacturer,

Sharon says the trustees wrozg-fully caused UV to set aside in April 1979, and also damages resulting from the trustees Sharon said that it and UV have compiled in all material respects with the terms of the serving the automotive zerospace, industrial, housing and

U.S. \$25,000,000

Floating Rate Notes Due 1989

UNITED OVERSEAS BANK LIMITED

(Incorporated in the Republic of Singapore)

In accordance with the provisions of the Notes, notice is hereby given that for the three month Interest Period from 31st December, 1979 to

The relevant Interest Payment Date will be 31st March, 1980 and the Coupon Amount per U.S. \$1,000 will be U.S. \$38.71.

Credit Suisse First Boston Limited

March, 1980 the Notes will carry an Interest Rate of 15 % per annum.

The expected earnings the 1.7m tons shipped in 1978, strong increase is due principally to indicating a slowdown in the AP-DJ

group, and includes a portion of Asarco's results on an equity accounting basis. Without that income, Bendix earnings from operations would probably be

energy markets, earned a He expects profit in the auto-record \$37.6m or \$1.65 a share motive and forest products divi-

to cause the trustees to execute supplemental debentures, reflecting Sharon's secession to UV's rights and obligations under the indentures. It also seeks the release of \$155m in cash and cash equivalents which Sharon says the trustees wrozg-fully never the indentures. SOUTHFIELD—Bendix Coron revenue of \$916.1m.

SOUTHFIELD—Bendix Coron revenue of \$916.1m.

As in the previous quarter products business is going to be going to be guarter earnings gain will be and chief executive officer.

We're going to have a very good quarter," he said but nearly a 21 per cent interest in declined the interest in the profit for As in the previous quarter first quarter levels. "Our forest first quarter levels. "Our forest products business is going to be going to be going to have a very said."

As in the previous quarter products business is going to be going to have a very and chief executive officer.

We're going to have a very said.

Southfield—Bendix Coron revenue of \$916.1m.

As in the previous quarter products business is going to be going to be dealined.

William M. Agee, the chairman quarter earnings gain will be and chief executive officer.

We're going to have a very said.

Bouthfield—Bendix Coron revenue of \$916.1m.

As in the previous quarter products business is going to be going to be declined.

As in the previous quarter is first quarter levels. "Our forest products business is going to be going to be going to be products business to the many products business is going to be going to be going to be products business is going to be products business to first quarter levels.

As in the previous quarter is first quarter levels.

As in the previous quarter is first quarter levels.

For all the previous quarter levels.

South first quarter levels.

As in the previous quarter is first below year-ago levels.

continue to pare production schedules. the September 1980, Mr. Agee ex-pects "another good year" but

he did not give an estimate. The company plans \$160m in capital expenditure in 1980, as well as development work.

or \$7.10 a share, on revenue of

\$165m to \$170m in research and Bendix has boosted its quarterly payout regularly for the past several years and now pays 71 cents quarterly. In fiscal 1979, it earned a record \$162.6m,

# Tracinda plan for options on 1m Columbia shares

Tracinda would pay \$12 for a call option granting it or its nominee the right to buy a share of Columbia common stock at \$37 during a one-month period eginning on January 1, 1982.

Columbia stockholders who enter into the call options will be entitled to keep all regular

This announcement appears as a matter of record only Century Power and Light Limited

# U.S. \$60,000,000

a subsidiary company of Imperial Continental Gas Association

Medium Term Loan for development of the Maureen Field

arranged and provided by

Midland Bank Limited

**European Banking Company** Limited

Agent Bank

**European Banking Company** Limited

Investment Corporation is con-will retain full voting rights sidering a tender offer for call during the option period.

two years to buy 1m shares of bolder at present own about Columbia Pictures Industries 2.4m. shares—slightly under common stock, Mr. James 25.5 per cent—of Columbia Pictures outstanding stock and small parties to an agreement which precludes them from directly or indirectly acquiring beneficial ownership of Columbia Pictures stock before January 1, 1982—which date is accelerated under certain circumstances—if the acquisition would result in them beneficially owning over 25.5 per cent of the outstanding com-

> Mr. Aljian said: "I have instructed my representatives to explore this matter with selected members of the financial com-munity and all appropriate securities exchanges and governmental agencies."

YEN STRAIGHTS Australia 5.6 83 Australia 6<sup>1</sup>, 88 ... ElB 7<sup>3</sup>, 89 ...... Finland 5.6 83 ... 30 20 12 10 10

### INTERNATIONAL COMPANIES and FINANCE

Citibank

activities

Asian

strengthens

TOKYO - Citibank's Asian

representatives are being given

more discretion to make busi-

ness decisions on the spot

under a reorganisation that

"Except for our annual

budget, nothing will have to

be passed on to New York for approval," said Mr. Richard L. Huber, the bank's senior

officer in Japan and the head

of a newly-created North and East Asia division. The unit will be in charge of institu-

tional banking activities in Japan, South Korea, Guam.

Japan, South Rorea, Guam, Hong Kong, the Philippines, China and Taiwan. The bank also has a division covering Australasia and the rest of

The overhaul is intended to

shorten Citibank's chain of command, particularly in in-stitutional lending, which comprises the major segment of its Asian business. While

the full extent of the changes

has yet to be disclosed, the moves may make Citibank more competitive in the

expanding Asian market. Citibank's changes in Asia

somewhat parallel decentrali-

sation moves by its strongest U.S. rival, Bank of America.

Southeast Asia.

takes effect next week.

# Matsushita Electric to double capital spending

tric Industrial plans to more Matsushita spent an esti- from the present 70,000 sets. than double its capital outlays mated Y70bn in the business The company will also expan

company's production of video said.

for plant and equipment in the year ended November 20 for the output of colour television 1980 business year started research and development, and November 21, to Y50bn (\$210m) plans to spend a larger amount sushita Industries Corporation, from an estimated Y23bn in the during the current business to about 60,000 sets a month in previous business year. year to develop new products calendar 1980 from an esti-The increased fixed invest- to match the changing needs mated 50,000 sets in 1979. ments will aim at expanding the of consumers, the company

tape recorders, electric refri- lts capacity to produce home-gerators and other electric use video tape recorders will from 2,000/3,000 sets, home appliances, as well as increase to 95,000 sets a month Reuter

The company will also expand sets by its U.S. subsidiary, Mat-

while its production of electronic cooking ranges will rise to 5,000/6,000 sets a month

# Downturn at United Malacca

BY WONG SULONG IN KUALA LUMPUR

UNITED MALACCA ESTATES. the publicly quoted group con-and oil palm production for the trolled by the family of the current year is expected to be chairman of Sime Darby, Tun 2.5 per cent and 3 per cent Tan Siew Sin, has reported a respectively below the budgetted disappointing half year, owing to figures.

Singapore subsidiar shortfalls in production.

The group is still awaiting Marketing Company.

Pre-tax profit for the six months ended October was 2.65m ringgit (\$1.22m) or 38 per cent less than the 4.27m ringgit achieved previously.

The previous profit included a gain of 1.57m ringgit from the cent. sale of Consolidated Plantation Ma was not included, the interim results of the current year would still be 2 per cent lower than the comparable previous half.

According to Tun Tan, rubber comes after several years of

Government for building an oil palm mill, a project which is expected to contribute sub-stantially to profitability. United Malacca is maintaining

its interim dividend of 8 per Malayan Cement Berhad, a shares, but even if this amount member of the Blue Circle Group, has reported that its pretax profits for the year ended at 8.28m ringgit. This result previously.

depressed profits. For the first time, this year's

profit included a dividend of 2m ringgits from its wholly-owned Singapore subsidiary, Cement The outlook for the group

appears to be encouraging, after the Malaysian Government's approval last August of a hefty price increase for cement. although the group said the rise came too late to have any significant effect on the 1979 results.

A 12.5 per cent dividend is declared making 22.5 per cent October was 18 per cent higher for the year-the same as

### NZ Steel expansion plan

By Dai Hayward in Wellington NEW ZEALAND Steel Ltd. is having talks with the government regarding the setting up of ferro-silicon industries or rerro-sucon industries worth SNZ 100m (U.S.\$ 98.67m). NZ Steel wants special long-term pricing agreement on government supplied electricity before soing shead going ahead.

The industry is scheduled for Southland which is rich in ferro-silicon gravel, the ferro silicon would have 25 per cent iron and 75 per cent silicon content. The export of up to 50,000 tonnes annually is forecast.

December 1979

### Saudi-Italian link

DJ from Milan.

### SAN MIGUEL CORPORATION

# A thirst for dollar funding

BY PHILIP BOWRING, RECENTLY IN MANILA

known to international beer between one and 12 years. fanciers as Cumness or Carlsberg. But if you get thirsty over a business deal in Hong Kong, on trek in the New Guinea high-lands, waiting in a Manila traffic jam, or even on the Costa del Sol, the chances are that there will be a San Miguel beer close

Beer is the main business of San Miguel Corporation, a vertically integrated food and drink operation which is the largest manufacturing enterprise in the Philippines, International bankers judge it also to be very

at hand.

good business.
San Miguel has just arranged US\$ 300m 12-year syndicated loan on terms that are at least as good as those being obtained by the Government of the Philippines. Interest is 0.75 per cent over the London inter-bank offered rate (Libor) for the first six years and 0.875 per cent for the second six. There is a fiveyear grace period, and the loan not guaranteed by any outside parties. It's by far the biggest unguaranteed dollar loan ever raised by a non-Government Philippine company, and among the largest ever made in Asian developing countries.

The syndicate is led by Ba Asia, a Bank of America subsidiary. There are six comanagers, including units of Lloyds Bank and Dresdner Bank. The loan is not without its controversial aspects at a time when the Philippines is facing severe balance of payments problems, which are retentions, equi-forcing it to lean heavily on the peso borrowings. International Monetary Fund. Firstly the loan has been structured to avoid an IMF-imposed annual ceiling on new commerborrowing - currently USS975m. The tenure is for

This is not the first time that holders funds were 1.15bn Philippine borrowers have pesos (\$157m). The ratio is now found a way around the ceiling. But previous instances have not despite a rights issue earlier been so large, and have also this year which raised 200m been related to projects which pesos. Local peso borrowings than the 232m pesos increase will generate foreign exchange. form only a small part of debt. in inventories and accounts

This loan will be entirely for San Miguel is building a new San Miguel's domestic operations in the Philippines which costing around \$50m, and generations in the Philippines which costing around \$50m, and generations in the Philippines which costing around \$50m, and generations in the Philippines which costing around \$50m, and generations in the Philippines which costing around \$50m, and generations in the Philippines which costing around \$50m, and generations in the Philippines which cost is the Philippines which cost is the Philippines wh create more imports than erally expanding its soft drinks management, this was 45m exports. Overseas operations, and processed foods and related pesos short of realistic replaceheld through San Miguel Inter- activities. But the \$300m national, the group's subsidiary borrowing is not associated with in Hong Kong, are self-financing. any specific major new ventures. They consist of breweries in It is to take care of most

THE NAME may not be as well which applies only to loans of It was under one-to-one at the expansion, and its dollar bor end of last year, when sharethought to be over 1.30 to one acquisition.

Indonesia and Papua New additional external

Doubts have been expressed by business and Philippine Government interests regarding the large unguaranteed dollar loan arranged by San generated funds. The critics Miguel Corporation. The group has a good profit suggest that San Miguel is in record but critics claim this must be measured against a background of high inflation

Guinea, 56 per cent of San needs for the next three and a tion makes it easier to cope Miguel Hong Kong, the Colony's half years—the period over with the resultant problems. It sole and very profitable brewery, which the loan will be drawn can borrow dollars long term. and an associate company in Spain

The new loan has also drawn San Miguel is borrowing scarce dollars to finance growth which it ought to be able to fund from retentions, equity issues and

It already has large dollar Last year, profits climbed 34 borrowings—a U.S. \$100m per cent to 303m pesos and rose seven-year loan arranged in a further 20 per cent in the 1976 and a ten year U.S.\$130m one arranged last year. Not all of these have been drawn but

down. The company aims not to Spain which has three let the debt-equity ratio rise breweries, including one in above 1.5 to one. Bankers are The new loan has also drawn big sum to a company in a criticism on the grounds that stable industry and with a good growth and management record. Profits have risen every year but one for the past decade, in

> cent annual growth. Last year, profits climbed 34 a further 20 per cent in the as outside, are asking why a first half of 1979. non-essential, non-export indus-

recent years averaging 25 per

However, it is clear that the company's needs are as much for additional working capital dollars other than for essential fractionally over 12 years to San Miguel's debt-to-equity for additional working capital dollars other than take it outside the IMF ceiling ratio has been rising steadily. as for capital to finance plant equipment imports.

to capital goods imports, but towards general fixed asset

Retained earnings last year were 217m pesos, rather less receivable. Book depreciation added a further 73m pesos to cash flow but, according to the ment cost depreciation.

Critics argue that though San Miguel's profit performance looks satisfactory enough, it is inadequate for a company in an expanding economy and in an inflationary environment. Philippines inflation, running at close to 20 per cent, demands big annual increases in working fact rather typical of the Philippines economy as a whole, with ambitious capital investment goals but very inadequate domestic savings.

San Miguel's size and reputa-Long-term peso funds are harder to find — again because of inadequate savings — and happy enough lending even this normally are very much more expensive than dollars.
Some of the Government's

own projects to set up capital intensive, import substituting basic industries are currently the IMF's borrowing restraints. Critics of the San Miguel loan Central Bank to borrow scarce

# Israeli bank to distribute new shares

DISTRIBUTION was decided upon at extraordinary general meetings of Israel Discount Bank and of its holding company, Israel Dis-count Bank Holding (IDBH). Stockholders will receive shares of the same class now held. Holders of convertible preference shares and capital note options will receive the

Tokyo eases

stocks curbs

eased margin trading curbs on

shares of Sanko Steamship.

Japan Metals and Chemicals and

Japan Line with effect from

Reuter

benefit of the distribution in the new shares, holders of the shares at the rate of 40 per cent form of ordinary shares upon IDBH preference shares will conversion of the preference receive, upon conversion, 4.4625 shares and options. Allocation will take place on

February 1, 1980, to holders of Preference "A" shares 5.8333 record at the close of business ordinary—4.1667 at present. on January 18, 1980. Shares will be traded on the Tel Aviv increase the authorised share exchange ex-bonus from capital of IDBH by Lithun and January 20. Following distribution of the I£500m.

3.1875 at present, and those of

The meetings also decided to of Israel Discount Bank by

# Singapore listing for Sime Darby

TOKYO - The Tokyo Stock Exchange announced that it has Trading in Sime's 425.1m 50 today. Malaysian cent shares and 456.8m Consolidated Plantation shares and 3.4m warrants of 50 cents each will start today.

SINGAPORE - The Stock Lumpur Stock Exchange said Exchange of Singapore said that that Sime Darby Bhd shares and it has admitted Sime Darby Consolidated Plantations Bhd Bhd and Consolidated Planshares and warrants will be tations Bhd to its Official List. listed from the start of trading

Both companies recently completed transfer to domicile to Malaysia from the UK and a Simultaneously the Kuala "Limited" status.

Al Rajhi, a leading Saudi Arabian holding group, has taken over a 50.6 per cent interest in Dal Vera Spa, of Conceliano. Veneto, through investment of L12.3bn (\$15.2m), the company dis-closed yesterday, reports AP-

# Europe leads investment in Latin America

CONTINENTAL EUROPE has European share of total foreign Argentine engineering equip- supply problems for Europe and become the main source of new investment is said to have risen ment and that of 67 per cent in the source of industrial tech-Centre for Study and Informa- The ECSIM study points to tion on Multinational Corpora- the concentration on invest-

become the main source of new investment in Latin America, according to a study prepared by Professor Bernard Lietaer U.S. stake declining from 48 to

tions (ECSIM). Taken on a ments in the manufacturing and Venezuela. cumulative basis, Europe has sector. Examples given of the Closer co-operation between which have overtaken the United States, "veritable boom" in this field Europe and Latin America is amortised. says the report, especially in include the foreign control of seen as not only mutually Professor Lietaer, will change Brazil, Argentina and Chile. the Brazilian car industry, the profitable but also the solution from a system of import sub-In the case of Brazil, the 82 per cent foreign stake in in the 1980s to raw material stitution to other strategies.

the chemical industry assets in Mexico and Peru. Some 80 per cent of all foreign investment for the Brussels-based European 32 per cent. in the manufacturing sector in Centre for Study and Informa. The ECSIM study points to Latin America is concentrated in Brazil, Mexico. Argentina

nology for Latin America.

that European companies will have to overcome the "parhave to overcome the ticularly difficult transition period of the coming decade, period " and this with investments which have not yet been amortised. The region, says



# Instituto Nacional de la Vivienda "INAVI"

# U.S.\$400,000,000

Term Loan

Lead Managed by

Orion Bank Limited

Banco de Vizcaya, S.A. National Westminster Bank Group

Grindlays Bank Group Standard Chartered Bank Limited

Managed by

The Dai-Ichi Kangyo Bank, Limited

National Bank of Canada

Kleinwort, Benson Limited

(International) Limited, Nassau The Nippon Credit Bank, Ltd.

The Tokai Bank, Limited

The Fuji Bank, Limited

Landesbank Stuttgart International Societe Anonyme

Williams & Glyn's Bank Limited

Nederlandsche Middenstandsbank N.V.

The Sumitomo Trust and Banking Co., Ltd.

Co-Managed by

Handelsbank N.W. (Overseas) Limited The Mitsui Trust and Banking Co. Ltd.

The Long-Term Credit Bank of Japan, Limited The Saitama Bank, Ltd. The Sanwa Bank, Limited

Provided by the above banks and

Allgemeine Sparkasse in Linz, Linz/Austria

Banca del Gottardo Banco Central S.A. Banque Fédérative du Crédit Mutuel

Banque Worms Crédit du Nord International Westminster Bank Limited

Italian International Bank Mitsui Bank Limited RoyWest Banking Corporation Sal Oppenheim Jr. & Cie. State Bank of India

Australia-Japan International Finance Ltd. Banca Nazionale del Lavoro

Bank für Arbeit und Wirtschaft Aktiengesellschaft

Banque Française du Commerce Extérieur Courts & Co.

Die Erste österreichische Spar-Casse Investitions- und Handels-Bank AG Maibl Bermuda (Far East) Limited

Orion Bank (Guernsey) Limited

Singapore International Merchant Bankers Limited The Sumitomo Bank, Limited

Agent Bank

Orion Bank Limited

This announcement appears as a matter of record only.

December 1979



# Aluminio Español, S.A.

# U.S.\$200,000,000

Ten Year Loan

### Lead Managed by

Orion Bank Limited

Manufacturers Hanover Limited

The Royal Bank of Canada (London) Limited

Toronto Dominion International Bank Limited

### Managed by

Bank of Montreal Chemical Bank International Group Banque Nationale de Paris

Dresdner Bank Aktiengesellschaft Midland Bank Limited

### Co-Managed by

The Bank of Nova Scotia Group Continental Illinois Limited

The Bank of Nova Scotia Channel Islands Limited Banque Nationale du Canada (France)

Toronto Dominion Bank Investments (UK) Limited

Midland Bank Limited Orion Bank Limited

Barclays International Group Security Pacific Bank

### Provided by

Banco Arabe Español, S.A. - Aresbank Chemical Bank Dresdner Bank Aktiengesellschaft, Sucursal de Madrid The Royal Bank of Scotland Limited

Bank of Montreal Banque Nationale de Paris Barclays International Group Continental Illinois National Bank and Trust Company of Chicago Manufacturers Hanover Bank (Guernsey) Limited Midland and International Banks Limited The Royal Bank of Canada Group Security Pacific Bank

### Agent Bank

Orion Bank Limited



MONTREAL

Lon. Gov. Bond Yield

N.Y.S.E. ALL COMMON

Dec. Dec. Dec. Dec. 26 24 21 20

61.8271.7461.7562.08 62.88 55.88 (27/5)

10.09

High | Low

Dec. 20

TORONTO Composite ( (c) | 1787.5 1785.4 1787.9 1894.71 (5/10) | 1875.8 (2/1)

10.21

9-95

Issues Traded 1,919 1
Rises 732
Falls 709
Unchanged 478
New Highs 44
New Lows 45

High

Rises and Falls

8.95

1,877 1,944 697 585 727 933 453 426 34 — 31 —

LOW

SWEDEN Jacobson & P. (1/1/58)

SWITZERLAND Swiss Bank Cp. (61/12/64 661.6 , (c)

Oumpaines and Markets	·	WORLD	310	CK MA	KKLIS
Stock   26   24   26   26   26   26   26   26	Pet.   20	ck 26 24 Stock  trolaum 56½ 56¼ Schlitz Bre 28¼ 21½ Schlimber; dla 69¼ 69½ ScM. 28¼ 49½ Scott Fores 2 MM 49¾ 49½ Scott Paper 57½ 58½ Scott Paper 57½ 58½ Scott Paper 57½ 58½ Scott Paper 80½ S	Dec. Dec. 26 24  M.J. 858 85; efr. 9212 921; 2512 255; man 2558 2558 1878 1878 1875 19 2712 271; 18 18 18 18 18 18 18 18 18 18 18 18 18 1	<del></del>	issues and continued buying Street in try yestering general sier show-le easier at numbered to 22.49m day's low interest and dollar investors and adding ghanistan but does e done so. selective buying tals, ASA Benguet ! Harman see 1! to Group SA m shares.
Anheuser-Bh.   221s   2	Transparence   Tran	1514   1516	775	acquired by American E advanced 1; to \$14].  Stone Container dec to \$25]. The company could not account for the activity in its stock, an that it has made no suprogress to date in its stan attractive acquisitions at for the company.  THE AMERICAN SE in VALUE Index managed 1.10 to 244.25 at 1 pm. 3.75m shares (2.27m).  Dome Petroleum gain \$44], Emerson Radio 1] and Resorts Internations 1½ to \$33].  Canada  Gold shares featured in firmer-inclined market  Closing prices for America were not ava for this edition.  CANADA  Stock 24 21  Abitubi. 1978 20  Agnico Eagle 10 10  Alcan Alumn. 551c 655c Algorna Steel. 243; 243c 243c 243c 243c 243c 243c 243c 243c	BL. Toyota M. to Y833, Soni Y said it be recent added abstantial earth for proposed in the recent market for a rise of Volume and Y6 to Y6 film Y22 to Y6 earch for proposed in the New Y6 set Gold Miniman round of buyin man rose 20 cer Poseidon 13 while Gold moved ahead 21 petrofina
Central Soy	25 25% Reynolds Mt 1 17 17 17 17 17 17 18 16.h Merrell, Rich Merrell, Rite Aid	5. 3119 2412 2412 2412 2612 2612 2612 2612 2612	4354 4258 2554 15 25 25 25 25 25 25 25 25 25 25 25 25 25	Name	Dec. 27
# Industr' is 858.14 859.18 858.21 845.54 838.91 838.65 837.61 786.87 1051.70 (11/73) (23952)  H'me Binds 75.78 74.44 74.81 75.14 75.00 75.22 89.10 (25/12) (27/17) (21/73) (23952)  Transport. 252.87 255.94 254.55 256.94 255.00 252.48 271.77 255.78 (27/2) (27/2) (11/73) (23952)  Utilities 107.85 107.61 107.34 108.56 108.17 109.51 109.74 98.24 185.32 10.52 (17/12) (17/12) (27/12) (27/12) (185.32 10.52 1000 st 25.040 19,180 36,290 40,450 41 900 45.560 ————————————————————————————————————	DENMARK Copenhagen SE (1/1/78) 87,81 FRANCE CAC General (29/12/61) 165,8 Ind Tendance (29/12/78) 109,2  GERMANY FAZ-Aktien (61/12/69) 225,7 Commerzbank(Dec, 1955 715,8  HOLLAND ANP-CBS General (1970) 84,2 ANP-CBS Indust. (1970) 87,8  HONG KONG Hang Seng Bank(61/7/64) 859,82  ITALY Banca Comm. Ital (1972) 51,86  JAPAN Dow Average (16/5/49) 6528,8365 Tokyo New SE (4/1/68) 6528,8365  NORWAY Oslo SE (1/1/72) 157,45  SINGAPORE Straits Times (1866) 451,01 4  SOUTH AFRICA Gold (1958) (u)	(c) (d) 86.84 \$7.48 (25/7)  104.2 (e) 164.00 113,1 (5/10) 110,5 (e) 109.80 122,8 (4/10)  (c) (d) 225.02 255.50 (15/1) (d) (e) 715.40 858.50 (16/1) (d) (e) 85.70 85.8 (24/1) (e) 840.29 851.01 840.29 (24/12)  (c) (e) 81.27 35.85 (4/10)  31.25 6522.87 5525.84 6580.89 (29/5) 351.25 6522.87 5525.84 6580.89 (29/5) 36.51 455.71 457.41 455.24 (29/8)  (c) (c) 135.57 142.22 (15/12)  (d) (e) 135.57 142.22 (15/12)	88.48 (14/12. Ra 82.4 (16/2) Ric 82.7 (22/3) Ro 82.7 (22/3) Ro 80.85.7 (7/11) Sh 82.9115/12) Tor 485.83 (2/1) Tor 485.83 (2/1) Ucc 89.86 (2/1) Wai 455.15 (18/1) AU 546.34 (25/2) AU 228.40 (17/4) Lan 270.50 (2/1) Pari	181   181	Rhone-Poulenc   155.0   -1.
Ind. P/E Ratio 7.70 7.65 7.62 8.55	SPAIN Madrid SE (25/12/76) 62.68 SWEDEN	81.81 (c) \$8.76 111.88 (8/8)	60.60 (20/12)   St8)	/r Daimler 229 +1  / scher Mag 349	Holzmann (P) 350.2 + 0 Horten

Base values of all indices are 100 except NYSE All Compon—50; Stands and Poors—10; and Toronto—1,000; the last named based on 1975. † Excludit books. † 400 industrials. § 400 industrials plus 40 Utilities. 40 Financials at 20 Transports. c Closed. s Unavailable.

NEW YORK ACTIVE STOCKS

(c) | \$51.04| 401.54 (6/2)

294.00 (5/1)

558.77 (c)

# ear early Wall St. trend

s and day morning in generally busy tinued trading. The Toronto Composite 1,726.2.

### Tokyo

Tokyo

Stocks presented a mixed ASI.50. CSR 7 cents to ASI.50. csR 7

eased 2.40 to 6.528.83 and declines on the First Market section narrowly led gains by 323 to 293, but the Tokyo SE index finished 0.59 up at 456.74. Volume contracted to 400m

its collaboration agreement with
BL. Toyota Motor advanced Y22
to Y833, Soni Y80 to Y1,880. TDK
Electronics also Y80 to Y1,880. FFr 17.9m, partly explaining the Matsushita Electric Y13 to Y734, shift away from equities, market observers said. The price of the Film Y22 to Y580.

Elsewhere, Yokogawa Bridgeworks rose Y30 to Y665 and Tokio Marine Y15 to Y670.

### Australia

Markets were predominantly firmer, although business was thin. The Sydney All Ordinaries index climbed 5.38 to a new record high of 727.62, while the Metals and Minerals index advanced 52.44 to 4,386.59.

The break above \$500 an ounce in the New York Bullion price set Gold Mining issues up for a round of buying. Central Norseman rose 20 cents to A\$5.60, and Poseidon 13 cents to A\$2.15.

Poseidon 13 cents to A\$2.15, while Gold Mines Kalgurli moved ahead 25 cents to A\$3.55.

On hopes of a good December Daimler (eti DM 4.58 in Main quarter report from the Ashton while BAW lost DM 1.50 in diamond venture partners, CRA Volkswagen DM 1.16. Broth Index put on 7.5 to 1.794.8 at diamond venture partners, CRA Volkawagen DM 1.16. Brok noon, while the Gold shares advanced 12 cents to A\$4.82, and stock analysis have beindex climber 113.7 to 2.539.5. Ashton Mining 15 cents to A\$3.00 saying lately that they would not and Minerals 19.4 to A\$3.10. In the Engineering see

Stocks with coal interests were mainly in demand, with White industries rising 76 cents to shed DM 1.30 but Krupp put AS6.20 on take-over rumours. DM 2.

The Nikkei-Dow Jones Average and Nagellan 15 cents at A\$3.50. ased 2.40 to 6.528.83 and de Base Metal stocks hardened. while elsewhere, National Bank firmed 10 cents to A\$2.80.

Teikoku Oil Y25 to Y905, Marus a report that the French Government is to float an FFr Sbn State Loan in the second half of January generally bushed shares down in relatively thin trading.

Turnover on the Pacie Turnover on the

News that France's Gross Domestic Product had risen by 1.8 per cent in the third-quarter of this year came too late in the day to affect the market. Apart from mainly firm Banks and Metals and Mixed Stores, all sectors were in easier vein.

and tight money rates contributing to the seasonal inactivity on the stock market. The Commerz bank index slipped 1.8 to 713.6. HKS52.00,

Public Authority Bonds w mixed, with some gaining up 20 přennigs and others losiny to 15 premies. The Bundesh bought DM 700,000 nominal

paper. Mark Foreign Loans w

### Johannesburg

Gold shares were shar higher on the Bullion pric fresh upsurge. Kloof rose R3 to R31.00, while Randfouldin a Vaal Reefs added R3.00 aplece R65.00 and R79.00 respective Mining Financials shadow gold producers, with Angles ga-ing RI.00 to R1449; Genn R2.25 to R19.25 and Union RI. to R14.40. Platinums rose record free market price Rustenburg climbing 52 cents R5.12. Industrials made heads in places.

### Hong Kong

The market firmed in the morning in good two-with the Hang Sciender showing a rise of near 10 points at mid-day. However, profit-taking eruded gains durit the afternoon, leaving sociolosing on a mixed note and the Hang Sent index a net of Hang Song index a net 46 down at 839.62

HK Bank gamed 20 cents (
HKS1800, but Hutchio
Whampon loss 35 cents t
HKS9.20 and Jardine Mathese Bourse prices displayed an easier tendency in very light trading, with soaring gold prices and tight money rates contributing to the seasonal inactivity on the seasonal inactivity or the seasonal inactivity on 
JAPAN (continued)

Dec. 27   Cont.   Dec. 27	CANADA	1	HOLLAND	AUSTRALIA	Price + or	JAPAN (continued)
ANDRESS   19   20   20   20   20   20   20   20   2	, Dec. : Dec	Dec. 27 Fis. —		} <del></del>	Aust. S- —	Don. 27 Yen -
August   Column	<del></del>	Petrojina 3,360	\	Acrow Aust	1.05	Maruben . 358
August   Column	Agnico Eagle 10 10	Soc Gen Bang 2.925 : ÷25	Ahold	Amsp Pet	. 1.23	Marudar 579
Company   Comp	Algoma Steel 294 293 Asbestos 36 36	Sofina 5.285 —95 Softway 2,475 —40	AMEV	Audimee,	0.26 -0.0	" i M'en Eisc Works. 506 — i
The content of the	Bk Montreal, 243, 253 Bk Nova Scotia 245, 241	. IUCB 1.580 +82	[AMRO 65.1 +0.9   Bredero Cert 212 -3	Aust Guarant	1.41	Mibish:Comp 690 — 3
Service of the control of the contro	Babic Resources. 1058 : 105	Vieille Mont 1.328 —2	( Bos Kalis 105.9 — 1.0	Aust Paper	1.42	Michight R! Est 425
Dec. 27   Prop.   Pr	ow Valley 39 597	DENMARK	[Ennia 155,5 + 2.0	Bank NSW	2.65 - 0.0 1.20	* Mitsu: Co . 320 2
Company   Comp	rascan A 215; 22	Dec 27 Price Lor	Gist Brocades 35.5 +1.5	'i Band Hides	. 1.55	Mitsukoaki 439
The content of the	5. Forest 24 227	Kroner -	Heineken	I Bi`ville Copper	. 2.54 - D.W	Nicoon Denso . 1,290 -4
## Property   151   150	mflow Mines. 164 · 19	· i Reision Bland - 300 50 35	I Munter Douglas, 22,0 +0.9	BHP	. 0.15	Nippon Mest 435 5
Section   19	NW Lands 1734 173	Con Handelsbnk, 118.25 +0.50	Int. Musiler 23.3 +2.3	CSR	4.72 0.0	Nippon Shinpan, 600 - 1
Transport	Packers 314 ' 314	Danske Bank 1195 ±25	Nat Ned Cert. 119.0 -0.3	Cockburn Camt.	. 1,35 1,96 -0,9	Nippon Suisan 026 44
Series of the control	Trustco 22 22	Finansbanken 157 : -1	Ned Crad Bank 57.2 +0.7	Comelco	3.95 -0.0	Nissan Motor 753 → 9
Section   10   10   10   10   10   10   10   1	n Inds 26 25	Forenede Brygg. 252	Nedlloyd	I Conzinc Rictin	4,82 -0.12	Nisshin Steel 142 -5
The property of the property	IN PECITIC INV 50 · 30%	GNT Hida 200 +3	OGEM	Crusader Oil	2.18 - 0.08	NYK 335 2
Second	in Tire 26 · 26	Novo (nd 217.50, +1.25		Elder Smith GM.	2.15	Orient 908 -2
Second Compared State   1975		Privatbanken 126	Rijn-Scheide 56.2 +0.2	Escor	0.90	'iRenown 534 '+€
Table   Tabl	пілео 4914 48	Smidth (FL) 304 : - 1	Rodameo 105.7 - 0.1	Hamorsley	3.20	Sanyo Elec . 434 -5
Section	umers' Gas. 274 865 ka Res 1172 1152	Superfos 127.5 +0.5	Rorents 106.9 - 0.2	Hooker	0.84	Sekisul Prefab 817 -4
Dec. 37   Price   4-or   Colored   1-or	tain 751 ! 753		\$lavenburg's 230,0 · + 1.5	Jennings	0.85 - D.97	Shiseido 470 - 5
** a fact class   50.4   50.5	son Mines 37/8 6754 is Mines 5614 5614	Dec. 27 Price : + or	Unitever 114,3 -0.1	Jones 'D)	1.56 .	Stanley 480
Bright   196   1	ne Petroleum 504 5	F/3	VMF-Stork 66.7 — 1.3 Volker-Stevin 67.5	MIM	0.95 - 0.03 3.80 - 0.05	Taihei Dengyo 731 -12
The control of the	m Foundries A 54 c 34 %	Emprunt 72 1976. 6.210 +211	West Utr Bank 540 , +2	Meekatharra Ms. Metramar Min	0.60 - 0.01	Tarsho Pharm. 560 - 5
West Life   15	m Stores 20   20	Afrique Ocoid,; 358.8 · — 13,7		Myer Emp	4.00 -0.42	TOK 1,860 ~80
Comparison   15   15   15   15   15   15   15   1	con Nickel A., 86 . 8534 star 2534 . 26	i Aquitaine 1,250 · —5	ITALY	Nat Bank	2.60 -0.10 3.70	Telkaku Oil 905 -25
March   Marc	if Canada 1173a — 117	BIC 574! -12		Nicholas Int	2.10 -0.02 2.90 -0.0	Tokio Marine 670 +15
Beach   Beac		Bouygues   659   11	Lire -	Oakbridge Otter Expl	\$.75 —0.03 0.64	
Sex Office   751   751   752   753   754   754   755   754   755	dson Bay Mng.: 241s ¦ 241s	Club Mediter 369 -6	ANIC 9,75	Pancon	6.40 0.12	Toshiba 195 ~ 5
Sept Office   123   75   75   75   75   75   75   75   7	dson's Bay 3412   2412 o. Oil & Gas 10212   103		Banca Comile 10,650,95	Proneer Conc.	1.87 -0.01 0.44 +0.65	TOTO 435 —2 Tovo Seikan 487
Section   1987	sky Oli	Cle Bancaire 361	Flat 1,832 + 17	Sleigh (H.C.)	1.10 -0.01	Toyota Motor . 833 +23
Section   1987   1984	2500 424   424	ICCF	Ital cementi 17,700, -100	Sparges Expl.	0.72 -0.03	Wacoai 745 10
Part   1940	io, 274   274	Creusot Loire  58.9 + 0.4	Montedison, 171,5 -0.5	100us34	1.90 + V.05	Yamazaki 518 : 8
Section   1	arpr Pipe, 181 <sub>2</sub> : 181 <sub>2</sub>	Dumez 756 4 -38	Pirelli Co 1,821 —9	Utah Mining	3.85 ;	Yokuyawa 6dge. 665 : +30
See   Price   18	C. BIOSCEL 27 27	Gen. Occidental J 268.0 :2.5	<del></del>	Waltons	0.65 -0.121	SINGAPORE
Dec. 27   Price   + or   Dec. 27   Price   +	rks & Spancer; 718 7	Imetal	NORWIN	Waniwarthe.	1.38 ±0.01	Dec. 27 Price +or
Rect Herminesy   251   -251	ore Corp 347s   35	Legrand	NOKWAT		3.03	S -
Receit Hermany   201   -5	t Sea Prods A. 15%   15%	Machines Bull 65.1 -0.4   Matra	Dec. 27 Price + or Kroner -	•	Brice ' + or	Cold Storage . 2.55 - 0.0
1. Taelonii 224 524 524 524 524 524 524 524 524 524		Moet-Hennessey 501 -5	Bergens Bank 108 5 ±0.5		H.K. S — [	Fraser & Neave 6.0
Pennel State   19   Pennel State   72   15   0.0   16   0.0   0.0   16   0.0	n. Telecom 524 ' 524	Moulinex 81.1 1.1   Paribas 230.4 +1.4	Borregaard 74 + 1 Creditbank 121,5	Comes Prop	1.65 -0.01	Inchease Bhd. 2.20 - 0.00
S. Copper   2-50	cod Pet 144 : 1419	Parnod Ricard   272.8   -0.2	Elkem 84 + 1.5 Kosmos 500	Cross Harbour . East Asia Nav.	9.80 6.55	Malay Brew 7.50
Second   S	c Copper 2.50   2.50	Peugeot-Cit.,, 870 -18	<u> </u>	Hang Sen Bank HK Electric	122	Pan Elect 1.46 0.01
## Gorph.   1,5   5,5   1,5   2,5   5,1   2,5   5,1   2,5   5,5   5,1   2,5   5,1   2,5   5,1   2,5   5,1   2,5   5,1   2,5   5,1   2,5   5,1   2,5   5,1   2,5   5,1   2,5   5,1   2,5   2,5   5,1   2,5	can Petrol 654 654 10	Radiotech 321.5   82,5	` {	HK KOWIOON Wh. KK Land	71 15.4	Straits Trdg 7.70
Price   Pric	er Corp 14 ∶ 13% a	Rhone-Poulenc  135.01.5   3	SWEDEN	HK Shanghai Bk. HK Telephone	18 - 0.2 30.25 - 0.25	UQB 3.48 +0.02
Sampha	= ' '	Roussel-Uclaf 229,0 -5,5 St-Gobain,		Hutchison Wpa Jardine Math	9.30 -0.55 16.50 -0.76	SOUTH AFRICA
Seminary	Paper BPf, 114   114	ISkis Rossianol 1.110 10	Kroner -	New World Dev O'seas Trust Rk	3.52 -0.05 4.25 -0.10	
Trustop   14, 14, 14, 15, 16, 16, 16, 16, 16, 16, 16, 16, 16, 16	Ngom 31½ 31¼ d Bank 42¼ 41¾	Thomson Brandt 200.0: +2.5	MGA	SHK Prope	18.700.20 9.10	Abercom 2.93 -0.29
	al Trustop A., 144 , 14	I GERMANY I A	\SEA 67			AE & Cl. 6.25
Canada	ram 48 48	Price   + or JE	lofors 135		15	Barlow Rand 7.90 -0.10
Section   1924   224	of Can A 263. 2619	AEG-Telef 35,6 -0.9 E	dectrolux, 110 -1 1		AIGS ALOL I	CNA Invests 3.45 Currie Finance 1.28
March News #   134,	( B	Allianz Vers 480   +5   E BASE 139   -0.5	aseltė 150 ,	Ajinomoto	573 - 3	De Beerz 10.60 . 0.76
Bayer Versin   271   1   1   1   1   1   2   2   2   2	mson News A 1334 . 1334	BAYER 125	agersta	Amada Asahi Glass	62D 5 3	FS Goduld 49.5 →3.5
Silence Mines   11   11   11   11   11   11   11	scan Pipe 257 <sub>3</sub> : 26t <sub>8</sub>	Bayer-Versin 271 -1 M	lo och Dom 85,0' +1     8ab-Scania 67,0 —1	Sridgestone	537 -5	lighyeid Steel 5.40 -0.65
Control   Cont	5 minus VI A. 134   1566   156		andvik	Juzen	388 - 9 (g	fulcts
No.   Const Trans   144   14	8r (Hrm) A 544   541.	Commerzbank 180.7 +0.7 (s)	K.F	OKBO Pal Nippon Pto	357	12 Paga 12 PG
Dec. 27   Price   + or   Dec. 27   Price   + or   Dec. 27   Price   + or   Dec. 27   Dec. 27   Price   + or   Dec. 27   Dec. 27   Dec. 27   Price   + or   Dec. 27	COast Trans. 145a 145a 1	Conti Gumm) 44,9 —0.5   St Daimler Benz 244.0 —4.5   St	ren Handelsba. 62 /	Jaiwa House : Jaiwa Seiko :	277 -6 R	(B)(  U)(#U)(L V.3G
Dec. 27   Price   + or   Dried   +	on (G60) 2214 2214	Conditte 255 177	andstik 80.5 +1   E	Dara	389 -1 }R	Nist Plat 5.12 - 0.57
Dec. 27   Price   + or   Orediner   160   -12   Orediner   160   -12   Orediner   160   -12   Orediner   160   Orediner   1			olvo 73,5 F	uri Bank	565 S	A Brews 2.82 +0.79
Dec. 27	JIKIA .	DU Schult 160 -12	ĮF	Ujisawa 🤇 🧐	985 —3 g	mith OG Sugar, 10,50
Commercial   197   1		Dyck Zament 140 51	WITZEDI AND	Feen Gross 1.7	730 +40 T	iger Cats 15,90 : - 0,15
Hoschat   123.2 + 0.2   Hoschat   123.2 + 0.2   Hosch   35.5 + 0.5   H	itanetali 326	GHH		oiwa RI Est 6	502 - 6 JU 549 - 7 J	nisec 1,85
House   Property   House   H	erhank 269	Hoechst 123,2 +0,2	Frs H	rtachi Koku 6	65 - 20	
Daimier   223   1   1   1   1   1   1   1   2   2   2	19058F 275 -4	Heizmann (P) 350.2. $\pm$ 0.2 $\pm$ 7.	USUISSO 1.135 -5 H	onda	i70 +10  - 180 +1	
Continue	uaimier 229 +1 cher Mag 349	norten	own Boveri 1,695 H ba-Geigy 1 245 20 It	Oya	79 - B	RAZIL
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Rrupp	ium/luxembourg i	KHD 203.5 1 Eid	ektrowatt 2.080 —20   J/	<b>1</b> L 2.5		Cruz -
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Muench Ruck   575   Muench Ruck   575   Muench Ruck   575   526   Muench Ruck   575	rt B 2,200	Metaligessell 252 —5	stle 5,590; -25 X	Okuyo 1.0	40 T IF	FOIN
Second   S	mil	Myench Ryck 575	relli 255 -2 K	omatsu Fift 6 Inishiroku 4	76 +6 (	DID PE 4.90 +0.05
Schering   205   Schering   205   Schering   205   Schering   205   Swissing   776   Linn Fat & Oil.   405   Spanish prices, Page 12   Swiss Rank   402   1   Spanish prices, Page 12   Swiss Rank   402   1   Spanish prices, Page 12   Swiss Reinsca   6,073   25   Swiss Reinsca	**************************************	Rhain West Elect 183.5" -0.5 Sa	ndoz (Pt Cts) 520 -5 K	ibota 3 imagai, 3	87 -3 T	over Cr 234 Sm. Vol. 122.29.
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Totaling 3,200 Volkswagerr 102.9 -4.1 Zurich ins 13,400 -100 xe Ex ell.	1 050	/eba-Chemie 1411 Un	lon Bank 3,505 —20   W	dividual exchanges		andal
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Companies and Markets

# Coffee prices fall as Brazil boosts crop estimates

BY RICHARD MOONEY

COFFEE FUTURES prices fell York. sharply on the London market vesterday encouraged by the recent decline in New York, the continued strength of sterling against the dollar and increased Brazilian crop estimates.

The March delivery position on the London futures market fell £54 to £1,605 a tonne but traders said this was relatively modest compared with the New York market's £60 aggregate fall on Christmas Eve and Boxing Day when the London market was closed. They noted, moreover, that the sterling decline might have been expected to be greater than in dollar terms, in view of the rise forecast to 21.2m bags from 19m. in the value of the pound.

March coffee slipped 256 a the Bogota group support is onne soon after the opening losing some of its impact as the efore recovering somewhat coffee year moves towards its tonne soon after the opening around lunchtime. Renewed selling pushed the price down again world's major crops from West of coffee rust there, Agriculture in the afternoon, following a Africa and Central and South Minister Edgard Ponciano said,

The New York decline was mainly due to the raising of

deposit margins on the March position in an attempt to force the Bogota producer group, whose buying has played a large part in keeping prices up recently, to close out some of its "open" positions. A further influence was the announcement by the Brazilian Coffee Institute year total supplies were esti-(IBC) of higher crop estimates for the 1979-80 and 1980-81 about 8m bags.

The IBC raised its 1979-80 estimate to 21.6m bags (60 kilos each) from 19.5m and its 1980-81 Meanwhile dealers noted that

weakest phase. Most of the further £20 a tonne fall in New America become available for reports Reuter.

export in the first quarter of the calendar year, switching the market quite suddenly from relative tightness to oversupply.

With world supply estimated at around 70m bags, against expected consumption of 58m bags in the next marketing year, surplus availability of the order of 25-30m bags is anticipated in the first quarter. This mated to exceed demand by

The dealers noted that London values have held up re markably well in recent weeks but warned that the producers may have difficulty in support ing the market effectively in the months to come.

Guatemala has closed its from tiers to the import of all agricultural goods from El Salvador because of the outbreak

# Precious metals boost copper

BY JOHN EDWARDS, COMMODITIES EDITOR

COPPER PRICES on the London Metal Exchange opened held in LME warehouses showed on a firm note yesterday after a marginal decline, falling by the holiday period, hoosted by 100 tonnes and reducing total the rise to record levels in the holdings to 127,050 tonnes. gold, silver and platinum marcopper wirebars came under of nearby supplies which had driven cash wirebars to a house stocks — down by 950 to premium over the three months 17,300 tonnes. quotation. By the close, cash wirebars were £12 down at tonne against the higher trend £1.004.5 a tonne, while the three in the Penang market over the months price ended £2 higher. holiday where the Straits tin A better guide to the under-lying trend was provided by picul (133.3 lbs). LME tin stocks cathodes, where there were fell again, by 90 to 1,410 tonnes. modest rises for both cash and In the U.S. three months. Asarco raised its domestic aluminium holdings rose by copper selling price by 1 cent 3,900 to 14,600 tonnes and

Prices of other base metals

As expected, copper stocks

kets. But the cash price for were depressed mainly by the rise in the value of sterling. pressure as a result of more Cash lead dropped by £10.5 to offerings relieved the scarcity £525.5 a tonne, in spite of an unexpectedly large fall in ware-

> Cash tin lost £85 to £7,470 a picul (133.3 lbs). LME tin stocks Zinc stock were 50 tonnes lower at 42,600 tonnes. However nickel by 594 to 6,036 tonnes.

LME silver stocks rose by ,610.000 ounces to a total of 13,100,000 ounces. Prices on the market surged to new peaks following the trend in gold and continued fears about the Middle East political situation, as well as the impact of the further oil price increases on the value of the dollar.

The cash price closed at 1,227.5p an ounce, a rise of 173.5 on Friday's close. Some profit-taking sales brought the market back from even higher levels reached in the morning. but prices moved up again in late trading following reports of further troubles in Iran and Afghanistan.

Free market platinum and palladium prices also jumped to record levels. On the London market platinum was marked up £18.25 to £311.45 (\$700) a

# Guyana sugar and rice below target

GUYANA'S MAIN agricultural export commodities, sugar and rice, are both expected to fail short of targets which were revised downwards during the set for this year, and down on

The shortfalls, however, are tons. not expected to affect the country's markets abroad.

The rice crop has closed for the year at 136,000 tons, which is 46,000 tons below the output last year, considerably below the 200,000 tons target orginally the revised target of 147,000

The target set for next year is a record 250,000 tons,

In the case of sugar, the industry is trying to reach a target of 320,000 tons, revised from 360,000 tons during the year. However, production to date is about 290,000 tons and orly The industry is hoping to produce 360,000 tons next year. Last year's output was 324,000

### lifts sugar market By Richard Moone:

Iran buying

SPECULATION THAT Iran may have bought as much as 100,000 tonnes of white sugar at its buying tender last weekend prompted a substantial rise on the world market yesterday.

In the morning the London daily raw sugar price was fixed £6 up at £182 a tonne while on the London futures market the May position ended the day £3.35 higher at £188.80 a tonne.

The rise was also accouraged early on by fears that cyclone Claudette may have caused serious damage to growing and stored sugar Mauritius, though dealers later said they had dis-counted this factor.

The Mauritius Chamber of Agriculture said the 160 mph winds could have done serious damage to the young 1980 crop cane but that harvesting of the 1979 crop - estimated at 690,000-695,000 tonnes -

was virtually completed. The Chamber warned, how ever, that some of the 300,000 tonnes of 1979 crop sugar stored in warehouses had heen damaged. One local newspaper put the damage to this sugar at 30 per cent but others said this figure was too high.
Later reports said the

growing cane had weathered the storm well. It was estimated that total damage could be around 30,000 tonnes, some of which would probably be reprocessed.

In Paris meanwhile the French Sugar Market Intervention and Regularisation Fund said France's 1979-80 sugar beet harvest is now expected to reach 3.92-3.93m tonnes. This would be close to the largest crop ever of 3,927,000 tonnes in 1977-78.

### E. Germany sells £25m of silver

Leslie Colitt writes from Berlin: East Germany is cashing in on the West's speculative rise in precious metals by selling large quantities of silver on the

In the first 10 months of this year East Germany sold a record £25m worth of silver in London, about a quarter of its total exports to the UK.

# Watching the weather

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

fact, the whole of the farming year since early June has been one of the best I can remember. There was plenty of grass, cereals yielded very well, the livestock throve, and I managed to drill 85 per cent of next vear's harvest.

This early planting makes life much easier. I used, at one time, to have to plant several hundred acres of spring barley, and as soon as the land began to dry out after New Year's Day was nagging my men to get on with it. The ideal date was with it. The ideal date was always said to be March 15, but with no guarantee of fine weather then, it was essential to start working the land as soon as possible. I have started planting at all dates between January 6 and April 14, and can truthfully say that the time of sowing made little difference to the eventual yield.

Good seed bed

The essential factor was the state of the land at the time of planting. Spring barley likes a good seed bed, and, if it is drilled in mud, it comes to no and to be in the right state

few days, the autumn of 1979 I can relax until next harvest, viously, simply because of the present circumstances giving it had behaved impeccably. In Like a hypochondriac in a chemicals now provided. I am to the sheep would be rather chemist's shop, I am on the certain, though, that the season lookout for a variety of ills has the decisive influence in which can affect the crops, even in the depths of winter. This is not the place to describe years when my wheat crops them, but it does seem that no sooner is one problem dealt with another rears its ugly head.

There is, of course, a whole spectrum of chemicals designed to cure almost everything. fact, so many are the chemicals and so extensive their promotion that I wonder if the diseases follow the chemicals instead of the other way round. Although my farm and most of the district look well, conscientious farmers can spend any amount of time on their knees looking for trouble at the Poor trade grass roots. Anyone with a slight ten-

dency to neurosis can always mean mildew, a hard frost, or sibly birds; larks do a lot of of grass through the last few But samples can be winter barley I shall have less all very confusing. Farming was than 100 acres to plant next much more enjoyable when all nature did the rest.

But just because most of the farmer just cannot blame the necessary, grain is in the ground and look-season for a poor result. He I have

the end. This was brought home to me over the past two were very good indeed.

After a poorish start, buth summers were cool, and the wheat harvest was late, and I am sure that this enabled the plant to mature slowly and not die off, so the grain had more time to fill. This experience runs contrary to traditional lore that a hot summer meant a bumper wheat crop. In 1976, the hottest summer I can ever have experienced, the wheat harvest was quite the worst.

The autumn this year has been very easy on the sheep. Only on Christmas Day did I find plenty to worry about. A have to start feeding a few balcs yellowing of the leaves could of hay to the ewes, and then only because a very hard white physical damage. Shredded frost was killing the grass, leaf could mean slugs, or pos-

damage. Some infections are months, and, although it is not indistinguishable to the naked long enough to keep cattle satisfied my ewes have been good. So, although thanks to taken for laboratory tests. It's enjoying it and look very well. This has saved a lot of hay and is a valuable bonus because hav spring, I shall watch for the you could do was your best and is now worth some \$50 a tonne. and at that price not worth The awful thing now is that a feeding uniess absolutely

I have enough hay to see me

UNTIL THE frosts of the last ing well, it does not mean that has far more control than pre- through the winter, but in to the sheep would be rather like feeding gold dust into a machine in order to produce copper coins. The problem is that the lambs are a poor trade. and at the moment the outlook is not too good. Their prices today are less than they were at this time last year, and the prospects for next summer. when my own lambs will be coming to market, don't look

very bright. According to the Meat and Livestock Commission, total supplies of mutton and lamb are likely to be slightly higher in 1980 than in 1979, unless imports can be reduced and exports increased. In the present state of the world meat market, particularly in France. there does not seem to be much chance of that happening.

The fact is that there seems to be a switch away from both lamb and beef towards fresh pork and chicken. This has not yet surfaced in the consumption figures, but there does seem to be a greater interest and certainly a higher price from pork. The same trend is discernible in the rest of the Community, where intervention buying for beef is rising significantly. I believe sheep farming is going to have another year economically. difficult simply because in a time of recession the customer turns to pork and poultry.

# Gloomy outlook for farmers

BY ROBIN REEVES, WELSH CORRESPONDENT

ticularly gloomy, according to inflation and interest. Mr. T. Myrddin Evans, president Evans said in spite of the recent the third during 1979, the farmcosts of production and, equally important, was being increasdiscriminatory measures from said. the EEC.

He warned that agriculture, like other industries, was faced with an economic recession which would be exacerbated by further oil price increases. The economy generally would be characterised by negligible

THE AGRICULTURE industry's economic growth, increasing down that a farm building must prospects for 1980 appear par- unemployment and high rates of

"I appreciate that agriculture of the Farmers' Union of Wales. cannot be isolated from the In an end-of-year message, Mr. problems facing this country. and that the current economic devaluation of the Green Pound, situation is vitally affecting other industries. Nevertheless. ing industry was losing the race our approach has always been against inflation and increasing established on the premise that an expanding and efficient agricultural industry is in the ingly subjected to pressures and national interest." Mr. Evans The new British Standards

Institute code of practice for farm building design could put an extra £5,000 on a new 100-cow dairy unit, the Farmers' Union of Wales has claimed.

be classified for a specific purpose and the building standard must take account of the level of human occupancy during use two to 50 years.

in better buildings, it is concerned that the new standard will also escalate, costs and the farmer will be more restricted in the use of new buildings.

tory but will apply to most new farm buildings in practice. This is because the new standard must be adhered to in buildings qualifying for Government grant The new code, which comes and at least 75 per cent of new President's authority to suspend into effect on January 1, lays farm buildings are grant-aided. Import quotas.

### U.S. beef import curb attacked

WELLINGTON Zealand Prime Minister. Mr. Robert Muldoon has warned a recent move by the U.S. Congress to regulate beef imports would create difficulties for his country, and urged President Carter to veto the legislation.

"The effect upon New Zealand of the Congressional would be to impose considerable difficulties upon a small but important ally of the U.S., with an economy which depends heavily upon agricultural exports for its survival," Mr. Muldoon said.

The U.S. House of Representatives last month approved a Bill which would reduce beef imports when domestic supplies were high, and would limit the

### BRITISH COMMODITY MARKETS BASE METALS

COPPER—Unsteady on the London Metal Exchange in quier trading, where the main leature was the development of contaego. Forward metal initially moved from £1,015 to £1,020 but could not maintein this level and spent most of the day trading around £1,012. As landers emerged, the price slipped to £1,009 before political news from the Middle East lifted the market to a close on the kerb of £1,012. Turnover 21,250.

Amalgamated Metal Treding reported that in the morning cash wirebars traded at £1,005, 6, 7, three months £1,015, 13, 12, 10, 11, 12, 13, Cathodes three months £92, 93, 96, 97, 98, Kerbs: Wirebars three months £1,015, 16, 14, 15, Aftermon: Wirebars cash £1,007, three months £1,014, 13, 12, 14, Cathodes cash £980, 82, Kerbs: Wirebars three months £1,010, 9, 10, 11, 12,

COPPER Official - Unofficial -1 2 2 3 1006-7 -10 1004-5 -12 1013-4 +2 1013-5 +2 1007 -10 -

TIN Lost ground, effected by the higher pound and U.S. selling against hedge intake. After a nee in the East, forward metal started at £7.350 and tell during the day to a close on the Kerb of £7.280. Turnover 1,290 tonnes. Morning: Standard cash £7.570, 60, three months £7.350, 40, 50, 40, 25. Kerb: Standard three months £7.350.

influenced by the movements in copper and the rise of the pound. The back-warderion tended to nerrow. The close on the Kerb, atter a session of moderate business, was £509. Turnover 6,175 Morning: Three months £522, 21, 20, 19, 18, 17. Kerb: Three months £517. Alternoon: Three months £517, 16, 13, 12, 13, Kerb: Three months £511, 10, 9.

LEAD Official - Unofficial

LG. Index Limited 01-351 3466

1. 1.50

The commodity futures market for the small investor.

CORAL INDEX: Close 410-415 (unchanged)

# Are Lead prices

Be prepared—follow the trends read the experts' forecast in

# **FINANCIALTIMES**

The Subscription Dept. (WCR)

Afternoon: Standard cash £7,480, three months £346, 47. Afternoon: Three months £7,220, 25, 20, 10, 20, 7,300, months £346, 47. 48, 47, 47.5. Kerb: 7,290, 85, 80. Keyb: Standard three months £347, 48, 47. Three months £347, 48, 47. ZING Official - Unofficial -£ £ £ £ £ 534.5 -9.75 547.5 -8 ....

£ £ £ £ £ 531.3 4 524.7 -19.5 617.8 -1 512.5 -6 555 4 57.59 .....

ZINC-Easier, following other metals and also affected by the performance of and also affected by the performance of the pound. In moderately active trad-ing, forward metal slipped from a start of £356 to a close on the Karb of £348. Turnover 10,000 tonnes. Morning: Three months £355, 54, 53, 50, 48, 47, 46, 45, 46. Kerb: Three

Three months Gold 534-539 29 Lamont Road, London SW10 6HS.

1. Tax-free trading on commodily futures.

INSURANCE BASE RATES Property Growth ...... 131% Vanbruch Guaranteed ..... t Address shown under insurance and Property Table



# a weight on your mind?

### WORLD COMMODITY REPORT a specialist weekly newsletter

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Robusias opened sharply lower in fairly active trading conditions but early trade selling was well absorbed from mixed buying as the market erased losses slightly by mid-day. Further weakness in the afternoon was prompted by lower New York prices and strength in currency reported Drayel Burnham Lambert. Commission House selling gradually depressed prices towards the close and the market recorded losses of between £45 and £83.6 on the day.

Primw'st "57.5 ALUMINIUM Lower as the back- wardstinn was eroded and some stop- loss selling emerged. The decline was gradual throughout the day after for-	House selling gradually depressed prices towards the close and the market recorded losses of between E4G and
ward metal started at £845. After a low of £832 was touched, there was a rally	Yesterdays
to a close on the Kerb of £839.5. Turn-	
over 5,950 tonnes.	± per tonne
Morning: Three months £842, 43, 42. Afternoon: Three months £828, 35, 32, 34, 35. Kerb: Three months £836, 34, 33, 36, 37, 38.	January 1688-90  -83.5 1748-1680
Alumin'm a.m. + or p.m. ++or Unoffic'l	Sept 1555-75  -53.5 1592-1680
Spot 860-5 4 859-61 -5.5	Sales: 8,036 (3,341) lots of 5 tonnes.

NICKEL—Fell away after forward metal had been quoted during the morning between £2,820 and £2,880. In the afternoon, influenced by cooper and the pound, the price traded around £2,840-£2,850, before atop-loss selling took it down on the Kerb to £2,760. At that level fresh buying emerged, leading to a close of £2,800. Turnover 582 tonnes. GRAINS

tonnes.

Marning: cash £2,510, three months £2,900. Alternoon: Three months £2,850, 40, 50, 42, 40, 35. Ker6: Three months £2,830, 20, 2,790, 80; 60, 70, 80, 95, 2,800.

NICKEL a.m. + or p.m. + o Official - Unofficial -2790-810 -- 18 2840-60 +40 2880-900 -- 15 2830-5 -72.5 WHEAT SILVER

Silver posted record gains in the London bullion market yesterday to be fixed at an all time high of 1,235.0p. a rise of 119.9p an ounce. U.S. cent a nee of 119.99 an ounce. U.S. cent equivalents of the fixing levels were: Spot 2,751.0c. up 291.0c; three-month 2,817.5c, up 290.8 six month 2,871.4c, up 292.3c; and 12-month 2,974.2c. up 308.5c. The metal opened at 1,175-1,225p (2,600-2,702c) and closed at 1,215-1,225p (2,700-2,800c) a record of legion level.

Bullion + or LM.E. fixing p.m. unofficial l 

LME—Turnover 194 (110) lots of 10,000 czs. Morning: Three months 1,245, 50. 45, 40, 60, 56, 62, 50. 48, 50. Kerbs: Three months 1,255, 50, 41termont. Three months 1,255, 57, 58, 60, 55, 60. Kerbs: Three months 1,265. 55, 54, 55. COCOA

Trading within a nerrow range in very light volume futures ended the day on a guiet note. Physicals failed to appeal to producers or consumers both apparently content to await the New Year before making any positive mayes, reported Gill and Duttus. Yesterd'ys + er Business
Close - Done Dec. 1462-80 -4.5 1475-86
March. 1508.09 -10.0 1524-05
May. 1507-10 -8.5 1520-08
July. 1516-17 -3.0 1520-10
Sep. 1626-30 -3.5 1529-25
Dec. 1630-60 -10.0 March. 1546-85 -

Seles: 1,173 (695) lots of 10 tonnes. International Cocoa Organisation (U.S. cents per pound): Daily price Dec. 21 146.53 (145.71): indicator price Dec. 25 15-day average 144.32 (144.22): Dec. 26 15-day average 144 32 (1 22-day average 143.60 (143.42).

COFFEE	Yesterdays Close	+ or	Business Done
	£ per tonne	i —	. Dune
January March May July Sept Nov January	1688.90 1603.07 1560-82 1568-73 1555-75 1550-65 1555-60	-54.0 -57.5 -58.0 -53.5	1748-1680 1637-03 1615-1581 1609-1570 1592-1680 1580-74

Sales: 6,000 (3,041) fulls of Doc. 26 (cents per pound): Other Mild Arabicas 188.17 (191 17). Robustas ICA 1968 175.76 (176.50). ICA 1968 175.76 (176.75). Unwashed Arabicas 201.50 (213.50). Comp. daily ICA 1968 194.53 (195.78).

LONDON GRAIN FUTURES — The market opened unchanged to 15 lower on old crops but, in generally thin conditions, values moved lower all day amidst some speculation and shipper liquidation in front of tomorrow's tender. By the close, values had registered losses of between 35-40 points lower on old crop wheat and 35-45 point losses on barley with an easier fob market leading barlay lower. New crops were neglected and closed unchanged, reported Acts.

BARLEY Yesterd'ys + or Yesterdys + or Minth close - close -Jan... 95.55 -0.40 92.55 Mar.. 100.10 -0.35 87.05 May. 104.30 -0.35 101.05 Sept. 97.95 ...... 94.80 Nov... 101.55 ..... 98.35

Business done-Wheet Jan. 95.8595.55, March 100.25-100.15, May 104.50104.30, Sept. 97.95- 97.95, Nov. unquoted, Sales: 138 lors of 100 tonnes.
Barley: Jan. 92.85-92.55, March 97.2097.00, May 101.25-101.05, Sept. 94.8094.80, Nov. unquoted. Sales: 150 lots
of 100 tonnes. IMPORTED—Wheat: CWRS No. 1, 131; per cent unquoted. U.S. Dark Northern Spring No. 2, 14 per cent, Jan. 107, Feb. 108.50, March 110.50 transfigment Feb. 109-50, March 110-50 transhipment East Coast. U.S. Hard Winter, 131 per cent, Feb. 108, Merch 109, transhipment East Coast. EEC unquered. Maize: French, Jen. 116-50. U.S. Jan, 120 East Coast. S. African White unquered. S. African Yellow Jan. 82, Barley: English Feed tob Jan. 39, Jan.-March 100, April-June 105-25, East Coast.

RUBBER

Coast.

The London physical market opened unchanged, with tittle interest throughout the day, closing on a quiet note. Lewis and Pest reported a Malaysian price of 294 (same), cents a

No. 1 Yesterd ys Previous Business R.S.S. Close Close Done 68.40-66.70 | 67.50-68,00 | 66.60-66,45 Sales: 200 (258) at 15 tonnes, 13 (2)

at 5 tonneg.

Physical closing pricos (buver) wora:
Spot 65.80p (64.50p); Feb. 67.25p
(67.50p); March 68.25p (68.50p). SUGAR LONDON DAILY PRICE (raw super): C182D (£176.00) a tonne cit for Dec. Jan.-Feb. shipment. White augar daily price was £197.00 (£197.00).

The market opened some £5 above pre-Christmas quotations in line with the sharp rise of New York Wednesdey. However, keen selling was apparent at the higher levels and the advance was

and nignor levels and the advance was hafted. Luter prices again reliied after a strong New York opening, but once more the high points were not held and the market fell back to close around the lows some £4.00 below the best levels, reported C. Czarnikow. Previous Business Close Done £ per tonne

March , 188.06-88,25 164.75-84,30 192.00-85.50 May .... 188.60-89,00 185.40-95.50 192.26-84.00 Aug ..... 187.50-89.20 184,78-85.00 190.75-87-00 Oct. .....187.00-87.60 184.40.84,70 190.00-84.25 Sales: 5,507 (3,397) lots of 50 tonnos. NO. 4 CONTRACT—Close (in order buyer, seller only): May 188.00, 186.75; Aug. 186.00, 186.75; Oct. 186.25, 186.50; Jon. 184.00, 184.50, March 186.00, 186.25, May 185.00, 188.75. Sales: 418 LONDON WHITE SUGAR-Close (in

LONDON WHITE SUGAR—Close (in order buyer, seiler, business, sales); Feb. 195.00, 193.00, nil, nil; April 196.50, 193.00, nil, nil; July 199.00, 200.00, 200.25, 15; Sept. 200.00, 202.00, nil, nil; Nev. 202.00, 203.00, nil, nil; April 204.00, 210.00, nil, nil, Sales; 15.

Tate and Lyte ex-refinery price for granulated, besue white sugar was £304.95 (same) a tonne for home trade and £250.00 (£252.50) for export. International Sugar Agreament (U.S. 201) per pound fob and stowed Cambbean port). Prices for December 21: Daily price 15.00 (14.85); 15-day everage 14.73 (same).

SOYABEAN MEAL

	Yest'rd'y Close	+or	Busines: Done
	pertonne		
coruary	122,20-22,4 120,70-21.0	-1.80	122.00-21.5
Inc	119.80-20.0	-1.35	120.50-20.0
ctober	118.00-19.5	-1.00	_
	120,00-21,0 121,20-24.0		_

Sales: 59 (36) lots of 100 tonnos. WOOL FUTURES LONDON GREASY WOOL—Close (in order buyer, seller only). Pence per pound. Dec. 218.00, 238.00; March,

May, July, Oct., Dec., March and May all 232,00, 242,00. all Z32.00, 242.00.

NEW ZEALAND CROSSBREDS—Close (in order buyer, seller only). Dec., 190.00, 205.00; March, May, July, Oct., Doc., March and stay ell 189.00, 195.00.

SYDNEY GREASY WOOL—Close (in order buyer, seller, business, sales). Australian cents per gound. Micron Contract: March 445.0, 448.0, 448.0, 441.0, 14; May 466.5, 467.0, 458.0, 459.5, 117; July 476.0, 477.5, 477.5, -462.0, 191; Cer. 474.0, 477.0, 473.5, 470.0, 34; Dec. 475.0, 478.0, 474.5, 470.0, 61; March 477.0, 480.0, 475.0, 474.0, 20; May 477.0, 480.0, 475.0, 475.0, 11, Sales: 454.

Bradiord wool companies remained at a standatill because of notidays. Business was sluggesh and prices generally unchanged. The tone remains reasonably firm reflecting better December business and a firm close to the selections. me selling season. COTTON LIVERPOOL—SPOT AND shipment sales amounted to 60 tonnes, bringing the total for the week so far so 880 tonnes. Demand was light in the interholiday period, resulting in only scattered operations. African and Middle Eastern styles attracted mass premium.

BRADFORD—Production at

MEAT COMMISSION—Average fat-stock prices at representative markets on December 27. GB cattle 82.65p per kg lw (+1.55): UK sheep 141.4p per kg est dow +6.8): GB pigs 76.7p per kg lw (+6.4).

# in tornes unless otherwise stated.

Dec. 27 + or : Month 1979 - ago Metals Aluminium ...... 2760:70 Free Mkt (es:151755):1800 Platin mtr y oz £195.0 £185.5 Free mkt..... £311.45 +18.25.£243.65 Quicksii ver.... \$375/380 .... \$350/350 Silver troy oz .... [1255.00p.+118.9 829.45p 3 months .... 1270.00p.+118.9 858.45p ### months ... 1870,000,4118.5 628,45p

Tin Cash ... \$27,280 ... 75 \$27,577,5

Tungsten ... \$137,75 ... \$142,40

Woltrm \$2.94 cif \$182,56754 ... \$182,5/18

Zinc cash ... \$235 ... 85 \$233,287

8 months ... \$2347,25 ... 8 \$2341,25

Producers ... \$780 ... \$780 Oils Coconut (Phil), \$880? +5 8925 Seeds Copra Philip....|\$675 | +2.5 | 5610 Soyabean(U.S.)|\$290.90 = -1 | \$296.50

Other emmedities
Cocae ship.t. . £1,569 --10 £1,622
Future Mar. £1,505 --54 £1,892.5
Cofton A,Index 82.95 -- +0,£ 80.25
Rubber (Rilo) -- 55.50p +1 54.50p
Sugar (Raw) -- £182 +6 £163
Wooltp's 64s ki;276p kilo --- 280pkilo \* Nominal, † New crop. † Unquoted. q Dec.-Jan. r Jan./Feb. t Jan. u Fab. z Indicator. § Buyer.

Orains Barley Futures 297.05 -0.55 298,10 Malze French NoSAM £120.00 E117

China drought warning after peak harvest

PEKING - China's com-

munes and state farms have

already exceeded their grain

quota for the year ending next March 31 by more than 2 per cent, the New China News Agency claimed here. Total amount of grain already bought by the state was 4.5rn tonnes more than in the same period last year, the Agency

These figures reinforce predictions based on provincial crop reports that China is heading for a record grain harvest in the current collection year. However, farm workers in most parts of southern China and some parts of the north were warned yesterday to take precautions against a long dry

spell forecast by the central meteorological observatory... Total rainfall in north China from September to early December was 70 to 90 per cent less than in normal years, the Observatory said. Rainfall in areas of south and and design life, ranging from The union says that although the code will undoubtedly result proposals, if they become law,

The new code is not obliga

AMERICAN MARKETS NEW TORK, December 27.

THE PRECIOUS shetals closed sharply higher on a general lack of selling and on continued coheren over events in train and Afghanistan, with silver limit up all day. Colopper was mixed on commission house liquidation, as was sugar. Cocoe was barely sustained by some arbitrage buying, whereas coffee was fower on continued commission house liquidation and trade selling. The livestock complex was mixed, with cattle showing sharp losses on a slow-down in demand. The grains and Loya complex came under pressure on feurs. down in demand. The grains and soys complex came under pressure on feurs that longshoremen might refuse to lead grain bound for Russia of they do not support the U.S. position on Iran at the UN, Heinold reported.

Copper—Jan. 100.80 (101.00), Feb. 102.00 (102.15), March 102.90-103.10, May 103.30, July 102.50, Sept. 103.20, Dec. 103.60, Jan. 103.85, March 104.30, May 104.80, July 105.30, Sept. 105.80, Potations (May 103.30, Sept. 105.80, March 104.30, May 104.80, July 105.30, Sept. 105.80, Potations (May 106.80, May 1

Potatoes (yound whites)—March 60.2-50.3 (81.5), April 69.0 (53.0), May 77.6, Nov. unquoted. Sales: 406. Tin—775.02-798.00 asked (772.00-

792.00), CHICAGO. December 27. Lard—Checago locse 22.25 (22.00). May York prime steam 23.75 Live Carde—Jan. 28.67-88.70 (59.77). Feb. 70.75-70.55 (77.50), April 72.65-0unc 74.70-74.45. Aug. 73.65-0unc 73.75. Oct. 72.20, Dec. 72.80, Jan. anguotad. unquoted. Livo Hogs—Feb. 41.95-41.85 (41.77), April 40.60-40.35 (39.95), June 44.20-44.30, July 45.10, Aug. 43.90-44.05, Oct.

43.30, Dec. 44.97, Feb. 47.25, April 47.20.

\$13Maize—March 2891-289 (294), May 3011-301 (3054), July 3104-310. Sept. 3134, Dec. 3164-3167, March 3284-328, Pork Bellies—Feb. 47.20-47.10 (47.42), March 47.75-47.55 (47.57), May 49.10-49.25, July 50.55-60.75, Aug. 49.55. Sifver—Jan. 2750.0-2725.0 (2523.0), Feb. 2655.0 (2575.0), April 2708.5, Juna 2754.5, Aug. 2795.0, Oct. 2835.5, Dec. 2876.0, Feb. 2916.5, April 2798.5, Juna 2997.2, Aug. 2037.4, Oct. 3077.5, Dec. 2117.5, Feb. 3157.4, April 3197.2, June 3236.9, Aug. 3276.5, Sept. 7301, March 677.676 (6874), May 700-699, July 720-7194, Aug. 7281-2, Sept. 7301, Nov. 7381-, Jan. 7521-, WSoyabean Meel—Jan. 184.00-184.20 (185.30), March 186.80-187.00 (188.20), May 191.70-191.80, July 196.50-197.50, Aug. 199.50-200.00, Sept. 202.50, Oct. 204.50, Dec. 207.50-208.20, Jan. 209.70, March unquoted Savabbaan Oil—Jan. 24,15 (24.87).

# **EUROPEAN MARKETS**

When U.S. No. 2 Dark Hard Winter, 13.5 per cent. Feb. \$219. March \$221. U.S. Herd Winter. ordinary unquoted, U.S. No. 2 Red Winter Feb. \$207. March \$209. U.S. No. 2 Northern Spring, 14 per cent. Dec. \$213. Jan. \$215. Feb. \$219. March \$222. April-May \$205. May-June \$206. June-July \$206.50. Malzo-U.S. No. 2 Com Yollow Albart \$141. Dec. \$143.50 Jan.-March \$146.75, April-June \$752.50, July-Sept. \$156. April-June \$162.50, July-Sept. \$156. April-June \$152,50, July-Sept. \$156. Oct.-Dec. \$156,50. Solyabeans—U.S. No. 2 Yellow alloat \$274. Jan. \$276,50, Feb. \$284.75, March \$287.50, April \$291.76, May \$293.50, June \$289.25, July \$300.50, Aug. \$303.50, Sept. \$305.25, Oct. \$305.75, Nov. \$305.50, Dec. \$310.50. Argentine

Msy 5289 S0. June 5291. July \$291.75.
Aug. \$295.75. Brazil Yellow Faq.
unquoted.
Soyameal—44 per cent protein U.S.
allout \$255, Dec. \$249. Jan.-March
\$248 50, April-Sept. \$257 sellers, afloat
\$251-\$254. Dec. \$248-\$249.50, Jan.March \$248 traded.
PARIS. December 77 PARIS, December 27.
Cocoa (FFr per 100 kilos)—Dec. 1305-1365, March 1337-1343, May 1335-1352.
July 1335, Sept. 1340-1370, Dec. 1345-1370. Salas at cell 3.
Sugar (FFr per 100 kilos)—March 1739-1760, May 1751-1753, July 1755-1770, Aug. 1760-1765, Oct. 1765-1775.
Nov. 1760-1775, Dec. 1770-1795, March 1780-1805. Sales at call 83. PARIS, December 27.

### INDICES

FINANCIAL TIMES Dec 21 Dec. 20 Minth ago Year ago 299.60 :298.57 | 297.15 | 255.68 (Base: July 1, 1952-100) MOODY'S

Dec. 21 Dec. 20 M oth ago Year ago

1255.1 1243.8 1245.8 1168.1

(December 31, 1931=100)

DOW JONES Dec. Dec. Month Year 21 20 ago ago Srot .. 422.44 420.71 413.38 380.51 Fitur 9427.40 426.91 423.19 379.06 (Average 1924-25-28=100) REUTERS

Dec. 27 Dec. 21 Minth ago Year ago

1709.5 1704.2 1690.5 1495.3

(Base: September 18, 1931 = 100)

### Ugandan directive to cotton farmers

UGANDAN farmers have been told to begin marketing their cotton crop from January 7. some weeks later than usual. The Ministry of Agriculture has made a special appeal to farmers to pick their cotton and offer it for sale, to help the balance of payments.

Little cotton has been planted in the past season because of

# Tight wool supply forecast

SYDNEY - Supply, rather than demand, factors are likely to dominate the world wool market in 1980, according to an Australian Wool Corporation (AWC) official. Mr. Lionel Ward, the AWC's group manager for planning and informathe disruption caused by the tion, told reporters vesterday liberation war against Idi Amin. that 56 per cent of the 1979/80 Uganda's cotton crop has, since the mid-50s, been its second most important export, more widely grown than coffee. Pro-

southeast China in October and from 400,000 bales in 1972 to only 175,000 bales compared

November

under 70,000 bales last year.with 1m a year ago, he added.

duction fell under Amin's rule | AWC stocks are currently

# Sluggish return from Christmas holiday highlighted by upsurge in Gold shares-index jumps 14.2 to 276.4

Options \*First Declara- Last Account Dealings tions Dealings Day Dec. 10 Dec. 20 Dec. 27 Jan. 7 Dec. 28 Jap. 10 Jan. 11 Jan. 21 Jan. 14 Jan. 24 Jan. 25 Feb. 4 " '' New time '' dealings may take place from 9.30 am two business days

Gold and other mining issues commanded the attention in stock markets which otherwise made a sluggish return to business after the Christmas holiday. As in last Monday's shortened trading session before the two-day break, the price of Gold bullion set the pace by picking up its overnight strength on other exchanges and leaping to a record London closing level of \$511 an ounce.

Demand from all the recognone too abundant and the result was that specific heavyweight gold shares rose by as much as two points in sterling terms. Financials also showed good strength along with Australian and other producers of the meta). Following Monday's rise of 6.6, the FT Gold Mines index jumped 14.2 to 276.4, its highest since September, 1975.

Government stocks attracted a small business, much of which was directed at Treasury 15 per cent 1985 in special ex dividend form. The shorter end of the market was easier in places on switching to go longer.

The equity sections were generally neglected and leading shares continued to drift lower for want of attention. Losses were confined to a penny or so but among constituents of the FT 30-share index they combined to produce a closing fall of 2.8 in the index to 414.7.

Consolidated Goldfields claimed almost all the attention in traded options, recording 126 of the 161 contracts completed.

### C. T. Bowring better

a couple of pence to 129p, after 130p, awaiting further news of the Marsh and McLennan bid approach. Elsewhere in Insurapproach. Elsewhere in Insur-ances, Britannic hardened 2 to 154p as did Pearl, to 274p.

The major clearing banks drifted lower on lack of support. Barclays, 422p, Lioyds, 304p, and Midtand, 344p, all lost 4, while NatWest closed 2 off at 350p. Bank of Ireland declined 5 to 320p. Among merchant banks. Hambres put on 3 to 288p. Klein-

**EQUITY GROUPS** 

& SUB-SECTIONS

Floures in parentheses show number

CAPITAL GOODS (372)

Electricals (15) ....

(DURABLE)(50).

Metals and Metal Form CONSUMER GOODS

CONSUMER GOODS (NON-DURABLE) (173)

Entertainment, Catering (17). Food Manufacturing (19).....

Wines and Soirits (6).

Stores(43)

Tobaccos (3)

Banks(6)\_

Hire Purchase (5).

Insurance (Life) (10).

Merchant Banks (14)

Miscellaneous (10)

Mining Finance (4)

5-15 years

Over 15 years

3

Overseas Traders (20)

Investment Trusts (109)

ALL-SHARE INDEX(750)

FIXED INTEREST PRICE INDICES

Thurs., Dec. 27

100,86

103,62

107.14

326.45

103.58

15 20-yr. Red. Deb & Loans (15) 49.35 (14.96 49.35)

Coml. and Indl. Prefs. (20)

-0.05

+0,03

10.01

+0.05

-8.61

16 Investment Trust Prefs. (15) 46.21 14.49 46.22 46.22 45.78

Property (44) ...

Insurance (Composite) (8) Insurance Brokers (10).....

Toys and Games (6) ..... OTHER GROUPS (98)

Shipping (10) \_\_\_\_\_ Miscellaneous (57) \_\_\_\_ INDUSTRIAL GROUP (493).

FINANCIAL GROUP (117)..

lding Materials (27) .

Engineering Contractors (11)

Mechanical Engineering (74).

LL Electronics, Radio, TV (15). Household Goods (14). Motors and Distributors (21)....

Little of interest occurred in Breweries, but Highland Distilleries closed a penny cheaper at 143p following the formal offer Change Wares lost 11 to 9p and cased 2 more to 132p.

107p, while overseas concern 3 to 124p. Still reflecting the showed gains of 1 to 232; and possible claim for up to 27m to 179; respectively.

The same pattern of buying cased 2 more to 132p. 143p following the formal offer from Hiram Walker.

Concern about the cost of repairs to Ronan Point unsettled Taylor Woodrow which fell 8 to 324p. Elsewhere in Buildings, Milbury gave up 4 to 52p. Vectis Stone hardened a penny to 310p following the doubled final dividend and increased earnings. Bellway gained 2 to 69p and Brown and Jackson put on 5 to

ICI typified the dull and lethargic market conditions yesterday, closing 4 off at 356p on lack of support.

### Stores dull

Stores tended easier where changed, Marks and Spencer softening a penny to 77p after a 1979 low of 76p. Bambers dipped 4 to 70p as did Gratian Ware-houses, to 106p the latter on fading bid hupes. B. and Q. Retail, however, hardened 2 to

Electricals followed the general Electricals followed the general downward drift. Among the leaders. Thorn, 6 cheaper at 278p, were unsettled by the threat to UK television manufacturers from overseas following the expiration of the PAL patent. Racal eased 2 to 185p and GEC, 331p. and Plessey, 111p, lost a negotic volcare.

penny apiece.

Leading Engineers rarely strayed far from last Monday's closing levels, but the trend was to lower levels, underlying sentiment still being affected by the prospect of a national steel strike in the New Year. Scat-FT 30-share index they combined to produce a closing fall of 2.8 in the index to 414.7.

Consolidated Goldfields claimed almost all the attention in traded options, recording 126 of the 161 contracts completed.

C. T. Bowring better

C. T. Bowring deged forward a couple of pence to 129p, after 130p, awaiting further news of the Marsh and McLennan bid approach. Elsewhere in Insurances, Britannic hardened 2 to 24;p. Among other smaller-

24 p. Among other smaller-priced issues: J. E. England hardened a penny to 22p.

### Metal Box lower

The prospect of a nationwide which fell 6 to 234p. Press com-ment drew buyers' attention to wort Benson, at 124p, were unmoved by the sale of the company's 40 per cent stake in Kleinwort Benson McCowan, the New York based investment adviser with assets of \$700m.

BET which rose 6 to 121p, after the bodyer's attention to the to 403p on demand ahead of the preliminary results due on January 10. Neil and Spencer put on 4 to 99p and Ofrex 3 to

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries

Thurs., Dec. 27, 1979

Est.

Earnings Yield % (Max.)

20.20 19.84 28.37 14.71

26.68 22.33

22.79

18.77 15.01

25.94 26.02

19.51

18.03

20.84

14.96 24.94 25.41 16.09

34.75 16.73

17.50 13.12

19.35

12.82

37.79

21.31

18.68

4.17

15.87

14.57

-1.0 14.96

229.39 -0.5 - 6.88

xd ad]. 1979

50 date

932

1151

14.69

24,48

11.85

Mon. Dec-24

0.94

0.01

Index Yield

61.19 14.62

28.83 12.82 28.16 11.01

-0.5 -0.5 -1.1 -0.4 -0.8 -0.6 -0.2

-0.7 -0.9:

-0.4 -6.1

-0.3

-0.1 +0.3 -0.2

-0.2 +0.3 -0.5 -0.7

-0.2 -0.2 -0.8 -0.6

-0.8 -0.9 -0.7 +0.1

-0.9 -0.1 -0.5 +0.2

-0.6 -8.2 +0.1 -0.1 -0.1

+12

Index No.

325.28 548.38 290.65 149.32

146.07

258,89

116.72 103.86

204,48

252,114 298,25

272,72 190,95

292.96 388.66

116.88 191<u>.3</u>3

126.14

202,42

187.BI

278.59 194.12

413.31

220,86 217,80

166.21

121.25 266.86

89.96 316.72

158,19

Gross Div. Yield % (ACT at 30%)

7.21. 7.56 7.37 4.52 8.81 8.57

10.40

6.33 4.96 9.28 8.90

7.35 6.92 6.14 7.24 7.62 4.84 7.65

9.71 5.91

7.18 7.16 6.58 8.18 7.81

5.91 9.11 5.72 6.78

8.04 7.32 6.62 3.38 7.56

6.39 5.59 7.62

Friday Dec. 21

61.12 61.12 61.44

49.34 49.67

6.27 6.47 4.36 9.07 4.79 5.57

6.61 8.50 4.67 4.61

6.33 6.80 6.85 6.70 5.89 8.50 5.54 5.07 8.03

4.49 4.01 3.63 7.28 6.60 9.30 6.45 9.95 7.06

.3.38

5.94

--7.65

34.4<u>1</u> 8.20

FIXED INTEREST

British Govt. Av. Gross Red.

15 years

5 years.

15 grass.

25 years...

15 years.

25 mars.

49.58

45.78

288.98 -0.4 18.96 7.20 6.54 281.99 209.61 210.96 210.59 217.31 689.14 -0.9 16.34 6.93 6.61 695.21 695.26 691.82 712.16 589.26 246.12 -0.5 18.41 7.14 6.55 247.63 248.01 248.01 248.01 226.19 241.52

222.16 218.65 167.02

154.81 121.94 267.48

89.83 317.80

119.94

Mon., Dec. 24

214,49 199.18

328.99 558.53

292.99 150.15

346,40

193.17 261.28 117.22 103.97

205.04

298.45

191,32

Fri., Dec. 21

215.05 199.62 329.41 552.34

292.55 150.20

147.62

193.86

117.21 104.06

300.10

193.28

293.45 293.87 379.42 379.42

192.59 193.31 126.34 126.51 262.90 203.99 47.46 47.46 188.69 188.56

290.80 282.50 195.83 196.26 103.81 103.81 413.05 412.54

219,48 219.52

223,44 216,97 167,84 153,61

121.94

89.72 317.57

119.69

- 192/3 192/70 192/72 192/70 8.33 156.31 156.59 157.45 156.17 8.11 136.60 335.93 332.96 132.56

Thurs., Dec. 27

12.71 12.72

14.53

14.33

14.15

14,74 14,89

12.15

Tues. Dec, 18

61.44 61.46 61.46

Mon-Dec-17

49.65 49.61 49.67

45.74 45.74

Thur. Dec. 20

index No.

550.47 293.59 149.96 147.43

193.93 263.21 116.50 103.77

254.22 300.17

2/4.75 192.14

292.67 379.21 117.97

195.66

204.79 47.29 189.68

285.56 197.85

102.90 412.90

220.32 217.88 216.97 216.68 168.66 167.67

155.42

123.02

89.82 314.66

267.06 269.30 271.17

the 12 per cent Preference de-

Clined a penny more to 11p.

Comment highlighting the recent prolonged ITV dispute 2 higher at 290p. caused selective easiness in Toxilles were Televisions where HTV non- but Towles encountered revived voting lost 5 to a 1979 low of 97p support and improved 5 to 105. and Anglia A gave up 3 at 62p. with the A 2 up at 66p. A little in Commercial Vehicles, ERF buying interest was also shown drifted back 3 to 92p, while in Montfort, 3 higher at 79p. Dowty were similarly easier at

Occasional firm spots in Shire pings included, Furness With, up 4 at 246p, and Common Bros. Textiles were rarely altered.

with the A 2 up at 66p. A little

and Greatermans A. 250p, while Anglo-American Industrial put

As the bullion price trade:

over \$500, to close at \$511.0, an

nunce for a rise since Christmas

Eve of \$23.50, interest in gold

issues dominated the mining

The Gold Mines Index rose

14.2 to 276.4 as buying emerged

especially from London and the

Cape, supported by the Con-

Western Holdings rose 2 to

Golds spread into

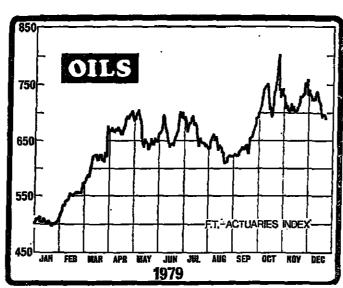
markets. The strength of South

on 15 to 750p.

Financials.

Australian Golds,

Strong Golds



147p among Components. good progress in sympathy with Garages and Distributors presented minor firm features in Hartwells. 70p. and Godfrey Davis, 121p, both up 2. good progress in sympathy with the current strength of gold sentences. Rises of around 8 were seen in Barlow Rand. 317p. Gold Field Properties, 95p. Properties moved indecisively

in a slow trade but small demand raised Hammerson A 10 to 715p and Marlborough 21 to 33p.

### Oils drift lower

Oils passed another quiet session, but light seling found the market unwilling and the overall trend was to lower levels Among the leaders, Shell gave up 4 to 324p and BP 2 to 342p. In the more speculative issues. Siebens (UK) fell 10 to 398p.

while CCP North Sea lost 8 to 214p., and Ultramar, 410p, and Lasmo. 336p, lost 6 apiece. Against the trend, Weeks Petroleum rose 10 to 345p.

Overseas Traders displayed an easier bias. Great Northera featured with a fall of 4½ points to £27½, while Harrison and Crosfield lost 13 to £12p and Hoffnung eased a couple of pence to £67½p. proving reluctant sellers. Risewere common throughout the list and pushed numerous stocks to Trusts recorded scattered

124 and East Rand Proprietary 12 to £111, while Durban Deep closed 78 higher at 894p and West Driefontein and FS Geduld losses, Scottish Cities "A" easing 4 to 196p and Atlantic Assets

Wed., Dec. 19

215.37 199.78

295.86 158.63

147.64

195.14 265.95

116.17 103.59

256.39 302.99

191.41

292.79 382.79 119.44

193.92

205.79 45.55 189.93 284.80

197.74

102.86 410.50

123,14

90.52 315.17

Mon, Dec. 24

12.78

12.73

14.48 14.32 14.17

14,72 14,79

14,54

12.16

Friday

45.88

160.43

265.01 166.85 120.28

297.54

282 92 269.29

200.07

369.95

199.約

236.07

165.09 133.91

122.65

310,12

113.88

12.16

12,71

12.73

12.73

12.75 13.30

13.30

Year

54.81

51.17

was evident for South African Financials where angle American featured with a rise 45 to 5850 and Amgold advanced 1; to £33;

The rise among Golds brought Inversorden extra strength to Platinums where Rustenburg were outstanding with a jump of IS to 2029. Impala at 220p and Lydenburg 117p were several pence

Australians were also active. taking their cue from Sydney overnight. Gold Mines of Kalgoorlie moved 11 higher to 181p and Poseidon, now reincarnated as a gold stock, hardened 5 to 111p. The other sector of the ustralian market which

Australian attention Northern where Mining were prominent with a rise of S to 155p. Conzinc Streeter Riotinto. leader of the Ashlon Marks. consortium, firmed 5 to 247p. Its London parent. Rio Tinto-

Zine was quiet for most of the day but a late spurt lifted its price 2 to 322p. Charter and Selection Trust were overlooked. staying near overnight levels at Consolidated Gold Fields had a late rally to 381p for a gain

Among other Financials. Minorco responded to U.S. buying with an advance of 28 to 315p. but ZCI, in which Minores has a controlling stake, saw re cent strength eroded further as the shares slipped a further 8 to

Rhodesians looked edgy in the light of recent political develop-ments, and Wankie softened 2 to 60p. Coppers were quiet, although small buying lifted Roan Consolidated 15 to 195p. Tins were untested.

Rand London were suspended at 94p pending the lifting of a trading halt on the Johannesburg

### **NEW HIGHS AND** LOWS FOR 1979

NEW HIGHS (28)

BEERS (1)

ELECTRICALS (1) SOUTH AFRICANS (3) id Fields Prop. OK Bazaars eatermans A OIL & GAS (2) Co. Pid. Ord um Do. Pi MINES (20)

NEW LOWS (20) BUILDINGS (1) STORES (1)

INDUSTRIALS (5)

Boosey & Hawkes HTV Non. Vtg. OVERSEAS TRADERS (1) Great Northern

### RISES AND FALLS YESTERDAY

British Funds Corpns., Dom. and	Up 6	Down 19	Same 62
Foreign Bonds	4	_1	61
Industrials	63		1,740
Financial and Prop.	23	87	389
Oils	5	12	<b>Z3</b>
Plantations	_	2	26
Mines	68	17	62
Others	33	48	78
Totals	202	382	1.841

# LONDON TRADED OPTIONS

Option	Ex'rcise price	Closing	Vol.	Clasing. offer	Vol.	Closing, offer	Val.	Equity
BP BP Cons. Gold Cons. Gold Cons. Gold GEC Land Secs. Marks & Sp. Shell Totals	350 360 350 360 390 360 360 350 350 350	9 55 28 12 4 1	- 3 25 80 9 - - 2 119	22 B 75 51 32 17 16 16 22	10 - 8 1 20	30 86 65 45 32 11 51 <sub>2</sub>	2 - 10 - 2 8  22	340p 380p 332p 256p 77p 324p

	Denomin	a-of	Closing	Change	1979	1979
Stock	tion	marks	price (p)	on day	high	low
Tricentrol		5	248	- 4	284	148
BP	25p	4	342	- 2	406	330 T
1CI		Ą	356	- 4	415	314
Lonrho		4	86	_	90	62
Racal Electronic		4	185	- 2	276	16S <sup>‡</sup>
B.E.T. Defd	25p	3	121	+ 6	145	96
Bowring (C. T		3	129	+ 2	148	98
Distillers	<b>50</b> p	3	199	_	259	198
European Ferri	es 25p	3	99	_	183	92
GEC		3	331	- 1	456	311
Gibbs (A.)	25p	3	70		71	38
Marks & Spence	er 25p	3	77	- 1	134	76
Pearl Assurance	e 5p	3	274	+ 2	304	216
Shell Transport.		. 3	324	- 4	402	278
Tube Invs		3	254		436	254

### **OPTIONS**

**DEALING DATES** Last Last Deal- Declara-Settleings ings tion ment Dec. 17 Dec. 28 Mar. 20 Mar. 31 Jan. 7 Jan. 18 Apr. 10 Apr. 21 Jan. 21 Feb. 1 Apr. 24 May 6 For rate indications see end of Share Information Service

Money was given for the call of Lourho, C. T. Bowring, Burmah Oil. Charterhall, 600 Group, Coral Leisure, Airfix and Laurence Scott. A put was arranged in Petbow, while double options were transacted in Premier Consolidated, Allied Colloids and C. T. Bowring.

### **RECENT ISSUES EQUITIES**

Issue		Š	1979		-: Stock		- L or	- = = = = = = = = = = = = = = = = = = =	S P	88	ᄣᇶ
Price p:	E E	50	High	Low		8 <u>F</u>	-		Eg	ē₹'	-2
126 441 R2 £10	F.P. 150 2 F.P. 1 F.P. 2 F.P. 7 F.P. 1	0/2 1/1 5/1 8/11 - - 1/1	182 111 127 175. 47 154 £101 <sub>8</sub>	68	Haynes P'blish'g 20p Link House 20p Lontrim ISASOL R1 Sel Mkt TstPrtRedPri Spring Grove 10p	142 110 122 157 47 148 £101	-2 -1 +2	14.9 13.75 57.0 57.0 546.0 17.0 53.36 716c	6.8 2.9 2.1 1.7 1.3 2.2	5.5 9.1 4.9 6.4 10.2 6.2	6.4 4.2 8.2 15.0 11.1 7.3
	FIXED INTEREST STOCKS										

### rixed interest stocks 로 | 불러 | 분일 | 1979

Stock		1 25	<b>`</b> +•						
<u> </u>	24		High	Low		SLUCK		85	i –
100 100 100	£10 F.P.	35/1	103 <sub>4</sub> 99 95 599 950 <sub>0</sub>	101 <sub>2</sub>   93   90   \$96   950n	B'rnem'th & Bristol Wate Dundonian 1 Hill Samuel   Mid-Sussex	Ole Cum. Red District Witer sworks 8% Red 114% Cum. Co Floring Rate 1 Water 1% Red. 2 1%Con. Red. 2nd	Red Pref 1985 Pref 1984 Notes 1922 Pref 1985New	1034 98 95 897 950n	; :
			44	RIG	HTS"	OFFER!	5	_	
AGITE:	18 E	Late		197	10			20	

lasus		Renunc.	1979	! !		+ 4
Price E		• =	High Low	Stock	85	: <b>-</b>
20	F.P.	·	38 29	:Dundonian	35	
560 j		3/1 :24/1	.146pm.100pm	Hammerson Prop. & Inv. Trust.	146pm	+8
560 i	Nii	5,1 24,1	144pm 100pm	Do. A	144 pm	- 14
ASI	NII	:	45pm, 20pm	Hanimex Corp	25pm	·
1212	Nil	7/1 28/1	9pm. 7pm	Laganvale Estates	75m	
96	F.P.	16/11: 4/1	100 90	Laporte Inds	93	NI .
40	F.P.	15/11 4/1	45 37	M. Y. Dart	44	
		28/11/11/1	68 56	Newman Tonks	62	; ,,,,,
36cts,		¦	' 18pm 7pm	North Kalgurli	18bW	!
60ctsi	Nil	1	285 pm 190 nm	Pancontinental	280 nm	5
200 ]	F.P.	3/12 1/2	208 200	Pikington Bros	200	-5
<b>34</b> `	Mil	11/1/15/2	12 10	Wearwell	1112	12

Renunciation data usually lest day for dealing free of stamp duty. A Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend: cover based on previous year's cernings. F Dividend and yield based on prospectus or other official estimates for 1879. Q Gross. T Figures assumed, 5 Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public, pt Pence unless otherwise indicated. I Issued by tender. [Offered to holders of ordinary shares as a "rights." \*\* Issued by tender. [Offered to holders of ordinary shares as a "rights." \*\* Issued by way of capitalisation. §§ Reintroduced. I Issued to connection with reorganisation, merger or takeover. [If Introduction. ] Issued to former preference holders. # Allotment letters (or fully-paid). © Provision (partly-paid allotment letters. \* With warrants. It Unlisted security. It Issued as units comprising 2 Income shares and 10 Capital shares at 125p per unit.

### Local help for small Coventry businesses

IN ITS drive to establish new industrial growth points. Coventry Chamber of Commerce and the City Council is to set up a Centre for Innovation.

This will concentrate on helping one-man and other small enterprises either to get established or to expand. The aim is to counter the decline in traditional industries, such as cars and machine tools.

This initiative is believed to be the first of its kind and has been put on a two-year experi-mental basis. The Chamber of Commerce will provide offices and staff and the Council is initially allocating £8,000.

Swansea has received orders for a total of 10 magnets worth around £100,000. Seven type 65T

Hindustan steelworks. The other three are for a private steel con-cern and two will be fitted with cones to improve their scrap handling lifting capacity. The Isle of Man Government

STRUCTION, has won two two-year contracts worth over £600,000 for the erection of crash barriers and fencing on the M25 and A13 near the Mardyke interchange in Essex. The first is for John Laing Construction, and covers 9,000 single pressure patter breakers, metres of single-sided corrugated 11 kV 4000A airbreak generator steel crash barrier porth of the Dartford tunnel on the M25

# FINANCIAL TIMES STOCK INDICES

- '	37	24	21	. 20	19	18	1900 1900
Government Seas,	85,48	63.48	68.46	65.51		- 65.10	
Fixed Interest	65.99	66,05	68.02	,		85.8Z	70.23
Industrial	414,7	417.5	419.5	420 2	422.1	431.3	472 0
Gold Mines	278.4	262.2		-		269.5	
Ord. Div. Yield	7,83	7.79		7.74			
Earnings, Yld. 3 (full)-	29,49	19.38	19.27	19.26			
PIE Ratio (net) 1 1/	6.32	6.35				6,42	
Total bargains	8,945			14,619			
Equity turnover £m.				78.90			
Equity bargains cotal	<b>–</b> :	4,621	10,965	12,7671	10,578	11,780	10,286
10 am 416. Basis 100 Govt 1/7/35. Gold Mines	2 pt Late Secs. :2/9/35.	n 474.7. st Index •N.I. 15,/10, 26 SP A:	3 pm 4 91-246 -5.10.	80 <b>26</b> . 8026. o int. 1 ily-Dec.	923L 1		c.
HIGHS	AND	LOW	5	S,	E. AC	TIVIT	Y
197	19	Since Co	mpilat	<u>.</u> : -	?	Dec.	Dec.

### HOME CONTRACTS

Gold Mines 276.4 . 129.9 (27/12) . (17.5)

# PO places £2m order for handling equipment

442.8 . 45.5

FENAMEC, the materials between the Mardyke inter-change and Cekenden range; froup and GEO. ROBSON AND CO. have won a contract worth around £2m to provide handling equipment for the new parcels concentration office of the the north east region of the Post Office at Stourton, Leeds. They will be responsible for detail FENAMEC, the materials between the Mardyke inter will be responsible for detail design, fabrication, installation and commissioning and will supply all uplift conveyors and diverters, delivering to eight parcel sorting machine lines with dual injection feeds, which in

conveyors. Work on the contract started in September 1979 and is cheduled for completion Decem-The Corby Development
Corporation has placed a contract for four standard factories
at Earlstrees East with MILLER
BUCKLEY CONSTRUCTION.

turn deliver to a complete aggregating system comprised of 50

The total cost of the development is around £1.3m and an immediate start is to be made with completion forecast for early September 1980. DMR ELECTRO MAGNETS of

underwater circular magnets have been ordered by the Steel Authority of India, three being for the Bhilai and four for the

has placed an order for SPERRY UNIVAC'S 1100/60 computer. Worth around £750,000, it will replace the existing 90/30. The Manx Government will lease the computer and delivery scheduled for December 1980.

SOUTHERN COUNTIES CON-

A £645,000 civil engineering contract has been awarded by the British Waterways Board to W. A. DAWSON for the replace ment of the Sprotborough Lack near Doncaster, on the Sout Yorkshire Canal. The work is due to start in January 1980 and should take about nine mentic to complete. This contract is the first of a series of major improve ment works approved by the Government to permit 700 tonoc craft to navigate to Mexborough and 400 tonne craft to reach

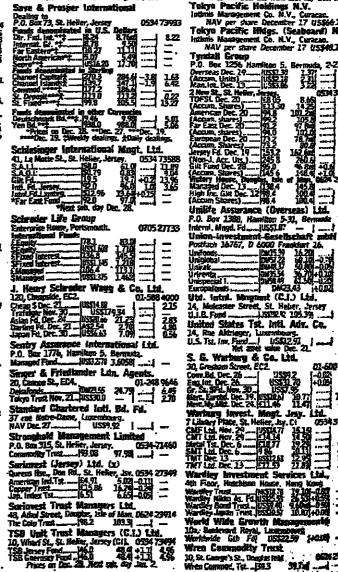
CVC SCIENTIFIC PRODUCTS has received an order worst more than \$100,000 from the Central Institute for Industrial Research (SI). Oslo, Norway, for the supply of a model AST-601 suttering system and an electron beam evaporator based on the beam evaporator based on the CVC Model SC-5000 System. The two systems will be used in research and development, and for limited production of integrated circuits, opto-electronic components and sensors.

division of HAWKER SID-DELEY POWER ENGINEER-ING. has received an order worth nearly £2.2m from Rolls Royce (marine and industrial division). Anstey for the design supply and supervision of erection of a 220 kV double husbar outdoor substation in Egypt. The substation will serve the first half of a 200 MW turbine gener ating station at Mahmondiya of the Nile Dolta 65 km from Alexandria. The substation area is around 22.100 square metres and will be equipped for two generator transformer bays. four feeder bays and a six tie coupler bay with facilities for future extensions. The equipment will include 245 kV SP

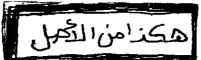
TSB Gilt Fund Managers (C.L.) Ltd.

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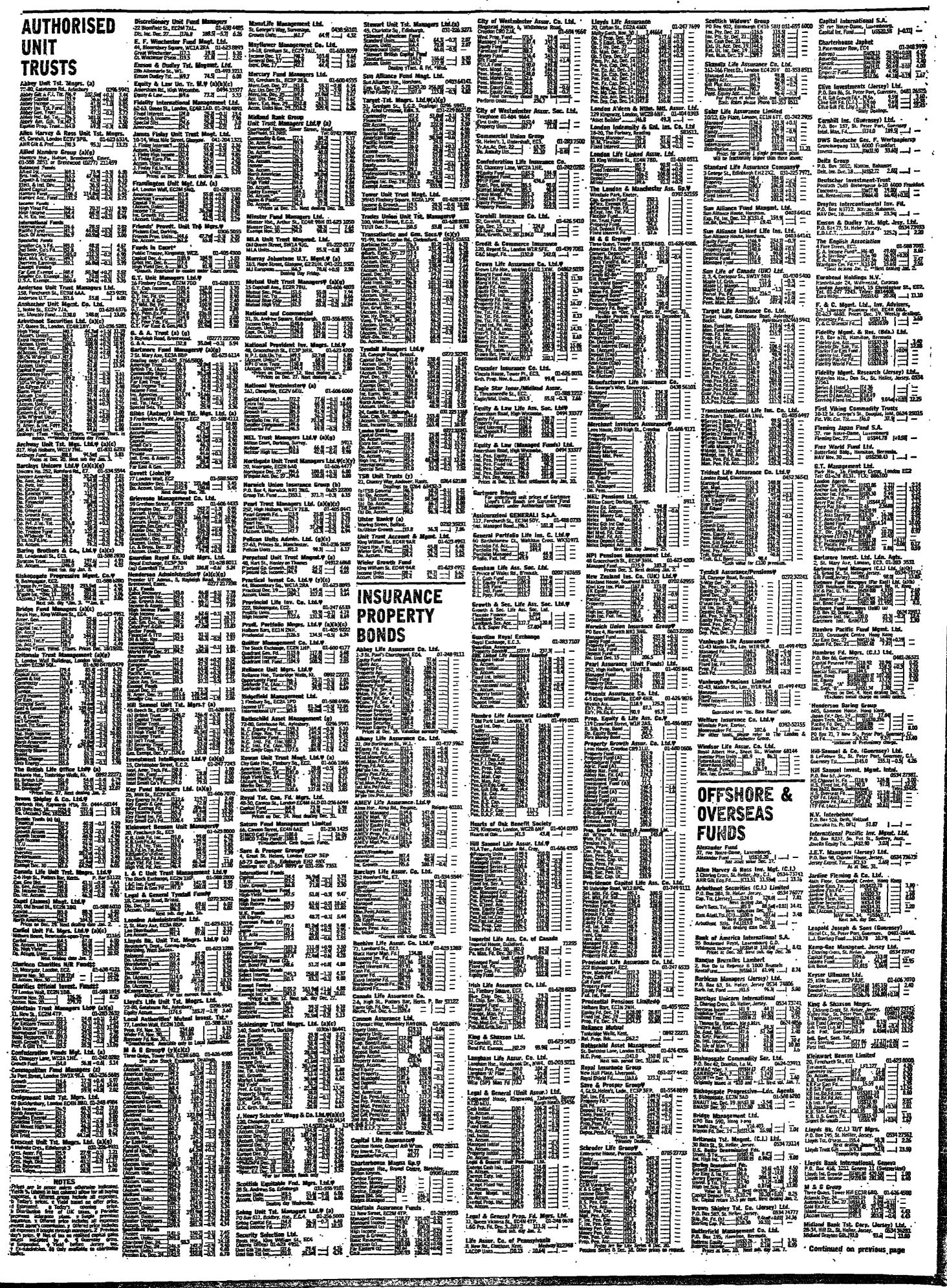
# **OFFSHORE** Mgrs. Ltd. (0534 3624) Pacific Basin France Guest Fund Mingment. (Jersey) Ltd. PO Box 194, St. Hefer, Jersey. 0524 Quest Sty. Fat.lint. 180.8 85.6 +0.5 Quest lint. Sect. 194.93 1004-400 Quest lint. Sect. 195.900 0554 +0.00 Prices on Dec. 27. Next dealing Jan. 2 1534, 27441 85.6 +0.5 14.02 1.004-6.03 2.99 0.954+0.01 9.63 0.954-0.01 9.63 Antischild Asset Managemen. P.D. Box 58, St. Julians Ct., Gornsey. 049 C. America Fel. 1853 1973 1973 1973 1973 1973 Rothschild Asset Mgt. (Bernsula) P.O. Box 664, Bl. of Bernsula Bid., Bernsul Reserve Assets Fd.NSS/ER 9,0004 Prices do Det. 22, Next desing Det. 27.



# † Redamption yield. Highs and lows record base dates and values and constituent cha urday issues. A list of the constituents is available from the Publishers, the Financial T mon Street, London, ECAP 4BY, price 14p, by post 22p.



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0750c 11 9.0 065c 30 9.1 0200c 437,714.3 034c 3.6 8.6 016c 9 7.8 020c 3.1 5.7

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# **FINANCIAL TIMES**

Friday December 28 1979

**Forecasts** 

recession

to be short

By Peter Riddell, Economics Correspondent

mid-1970s downturn

Oil build-up

MOST LEADING British fore-

casters believe that the forth-coming recession will be both

shorter and shallower than the

A sample of 13 prominent official and private sector fore-

casters reveals fairly widespread

agreement on the likely character of the recession.

Consumer spending is gener

with a 31 per cent fall in spand-

its biggest impact on manufac

turing industry where output

may fall significantly because

of a decline in investment and

a cutback in the present high level of stocks.

Indeed to the extent that

spending in the shops before

Chirstmas was lower than hoped

there will be a larger adjust

ment in stock levels and in out-

put in the first few months of

mate of the forecasters.

Meanwhile, there is only ex-

be mainly due to the absence

large price rises caused by

June's Budget. The 12-month

index of retail price inflation—

now 17.4 per cent—is projected to peak at around 20 per cent

early next summer before fall-

cent by end of 1980.

ing to between 14 and 164 per

Details, Page 4

UK TODAY

MOSTLY DRY in E. Showers

London, S.E., E and N.E.

Eugland, E. Anglia

S.W., Cent., S and Cent. N.

England, Midlands, Wales,

Channel Is.

N.W. England, Lakes, L of Man, Scotland, N. Ireland

Outlook: Sunny intervals,

Wintery showers.

wintry showers. Colder.

intervals. Max. 6C (43F).

Showers, sunny intervals.

Mostly dry with sunny spells.

Weather

elsewhere.

Max. 6C (43F).

Max. 7C (45F).

the comparison of the

next year.

Jobless rise

The recession is likely to have

ing between 1973 and 1975.

expect



FOREIGN DEBTS OF \$48,17bn

# Brazil may need \$15bn

BY DIANA SMITH IN BRASILIA

BRAZIL MAY need to borrow facing Brazil in 1980 is her figure is expected to be trade terms enough to achieve another \$15bn in new foreign illustrated by estimates from particularly dramatic due not loans in 1980, according to the the Getulio Vargas Foundation.

Finance Minister, Sr. Karlos Brazil's economic think-tank.

Disabbiater.

The country is already one of the biggest borrowers on the Euro-markets. At the beginning \$11bn for other imports will be of goods and services immeof December its foreign debt

Rischbieter said Brasilia yesterday that his country must work flat out to activate alternative fuel, steel and raw materials projects to In addition, outlays of some convince ourselves, and the \$3bn will be required for international banking com-munity, that our chances of overcoming our difficulties are reasonable."

services, like and insurance.

Meanwhile, it

4p on

**Esso puts** 

By Martin Dickson, Energy Correspondent

petrol price

ecember its foreign debt required, against the founda-officially estimated at tion's forecast of \$18bn exports and \$2bn in direct foreign investment.

> Servicing the country's debt will cost an estimated \$15bn in interest and principal next year. services, like freight charges,

> Meanwhile, inflation in 1979

only to rises of 58 per cent and 55 per cent in the prices of

goods and services immediately after the 30 per cent devaluation of the cruzeiro on December 7. To counteract this the authorities have threatened manufacturers, wholesalers and retailers with personal income tax audits if they persist with unjustifiable increases.

Sr. Rischbieter expressed his cautious hope that the December 7 devaluation and an-cillary abolition of export inceneasonable."

has been estimated at between tives and artificial import out, and persua
The extent of the difficulties 75 and 80 per cent: the Decem- controls would tidy up Brazil's to export more."

export growth of 35 per cent in 1980, to \$20hn and, with this increase, improve foreign borrowing terms

"Obviously," he said "Every foreign banker would prefer to lend to the Swiss, and we are no Switzerland but we are some where in the middle range." To Sr. Rischbleter, Brazil's ratio of exports to CDP is markedly unsatisfactory—about 7.7 per cent which compares

with over 30 per cent countries like Hong Kong or South Korea. "Our domestic market has mushroomed tremendously," the Minister said. "So the urge to export hasn't been that marked until now. But we must go all

ESSO YESTERDAY announced THE AGREEMENT between increases in the price of its UK oil products which will add about 4 pence a gallon to cost of its petrol at the pump—and warned of further increase

early in the New Year. The company, which is the joint UK market leader in oil products, said price rises, effective today, accounted for two increases in its crude costs.

The first was a \$2.77 a barrel rise in the price of North Sea crude in November. The second was the \$6 a barrel back-dated price rise which Saudi Arabia announced just before this month's OPEC meeting in Caracas. Esso relies on the North Sea for about 50 per cent of its crude needs in the UK and on Saudi Arabia for about 45 per cent.

However, Esso said yesterday that its price rise did not take account the effect of OPEC's Caracas meeting, which would eventually raise prices

even further. The company said it was likely to be some weeks before the full effects of Caracas became clear. "However, it is expected that further price increases will have to follow early

in the New Year." All UK oil companies are iewing their prices after the OPEC meeting and a general increase in crude costs recently Prices are certain to rise substantially, but it is not certain

by how much and when. Shell the other market leader which added two pence to a gallon of its petrol four weeks ago, said that it had no immediate plans for a general price rise. British Petroleum has not increased prices since July but

scems certain to raise them Esso's increases mean that the wholesale price of a gallon of its petrol goes up 3.5p, equivalent to 4p per gallon on pump prices after VAT, if passed on in full by service stations. The wholesale scheduled price of a gallon of Esso four star to garages in the "inner zone" (nearest to distribution points) is now 106p, inclusive of 15 per cent VAT.

The company said yesterday

that while oil stocks and sup-plies were adequate, the future nil supply situation continued to be balanced on a knife edge.

### Venezuela to raise oil price By Kim Fuad in Caracas

VENEZUELA IS to raise the price of its oil exports and will announce the extent of the in-crease before the end of the year, President Luis Herrera Campins of Venezuela said.

Humberto Calderon Berti Energy Minister, met on Wednesday with Ministry technicians and officials from the State oil Petrolens Venezuela, to discuss increases, but did not reach a decision.

Venezuela increased its crude prices by \$4 on December 14, joining Saudi Arabia, United Arab Emirates and Qatar in to \$24 a barrel, on the eve of the OPEC ministers' conference

When the OPEC ministers failed to agree on a unified price system, Venezuela indicated that it might add an additional \$2 to its price, for a marker crude price of \$26 a

The price increase would probably be applied only to Venezuela's light and medium crudes, while the country's lower quality heavy oils would not be affected.

It was unclear whether the price increase would also be bring down the Government applied to Venezuela's product thanks to the use of a provision price increase would also be exports which are about 600,000- in the constitution allowing 700,000 b/d of residual fuel oil legislation to be passed auto-dure he will use again if no which goes to U.S. East Coast matically, failing the adoption compromise with the Gaullists

# BL-Honda tie-up could lead to further links

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

BL and Honda for BL to pro-duce a car designed by the Japanese company could open

Sir Michael Edwardes, the BL

The car will form the second chairman, told a Press conferphase in BL's programme for ence immediately after the signing of the agreement in Tokyo yesterday that the two companies had realised during a year of negotiations on the passenger car project that they might be able to work together profitably in a number of areas. A joint working party to be the meantime, Sir Michael said. BL is already aware that it has suffered in the past by failing be produced). to enter into joint ventures

competitors had

The Honda car, to be pro-

duced and sold by BL in the Western markets is theoretically EEC under a BL marque will be in production by mid-1981, whereas the development of a the way for other kinds of new BL car meeting the same collaboration between the two specifications might have taken three to four years.

> replacing all passenger car models in the next four years. Phase one of the programme will start in October when the Mini metro goes into production. Apart from its time-saving

advantages, the agreement with Honda will provide the "focal set up shortly will investigate point" for the modernisation the scope for collaboration. In and redevelopment of BL's Cowley works (where 85,000 units a year of the new car will

Mr. Kiyoshi Kawashima, presiwith other motor manufacturers dent of Honda, said that the to the extent that some of its agreement with BL represents part of his company's overall BL will cut two years off the strategy of internationalisation, that would have been which has included establishing required to overhaul its a motor cycle factory in the passenger car model range U.S. and a components procurethanks to the agreement, Sir ment centre at Honda's European headquarters in Ghent, the EEC where it may wish to Direct export of cars to establish production facilities.

more profitable than the licensing of production knowhow to foreign companies, Mr. Kawashima admitted.

Exports, however, are subject to severe political restraints with the result that licensing agreements have come to appear to Honda as attractive alter-

In the case of the BL-Honda

tie-up, a combination of knowhow sales and direct exports will be involved, since Honda will initially be supplying engines and transmissions for the cars to be built at Cowley. Mr. Kawashim and Sir Michael were not willing to give details at the joint Press con-ference of the financial aspects of the tie-up beyond saying that BL will pay royalties to Honda for the right to its designs and that the royalties will be fixed in terms of yen.

Honda remains free to build the car, of which the design has been licensed to BL, at its plant in Japan and anywhere outside the EEC where it may wish to

# New Kleinwort Benson venture

BY MICHAEL LAFFERTY, BANKING CORRESPONDENT

banks, is selling its 40 per cent McCowan, the New York fund management company it bought into three years ago, because of disappointment with the results

of the venture. Now Kleinwort is to start its own U.S. fund management company from scratch. This will operate under the name of Kleinwort Benson International Investment once approval is forthcoming from the U.S. Securities and Exchange com-

Mr. Michael Devas, managing director of Kleinwort Benson's fund management division, said yesterday that Kleinwort had expected a freer flow of information between Kleinwort Benson McCowan and the London merchant bank. Problems apparently arose

because, under the U.S. securities laws, Kleinwort Benson 40 per cent of the company, McCowan was unable to pass on would buy out the London

KLEINWORT BENSON, the information about its investlargest of the City merchant ment plans to London in such a way as to give Kleinwort Benson a competitive advan-tage on behalf of its London investment funds.

> For its part, Mr. Devas said. Kleinwort Benson McCowan felt that Kleinwort Benson had not introduced as much inter-national fund management business to the U.S. company as had been anticipated.

Mr. Bruce McCowan, chairman of the U.S. company, said that growth over the past three years had come about largely as a result of domestic efforts by Kleinwort Benson McCowan whereas the plan had been to create a joint venture. He said Kleinwort Benson had not wanted to reduce its stake to reflect this fact, so it was decided that the senior executives of Kleinwort Benson McCowan, who already owned

merchant Sachs, the U.S. investment bankers, retains a 20 per cent stake in Kleinwort Benson McCowan

As a result of the split, man-agement of the Transatlantic Fund, a \$25m Kleinwort Benson McCowan international invest-ment vehicle for U.S. residents is to be switched to the London merchant bank. The same will happen-with Kleinwort Benson's \$25m International Fund. However, Kleinwort Benson's \$15m U.S. Growth Fund will continue to be managed by the U.S. com-

A main objective of Kleinword Benson's new U.S. fund management company will be to secure a share of the U.S. pension fund money which is gradually going international. Kleinwort Benson the merchant bank, has a representative office and an underwriting company in New York. Sharps Pixley, the bank's bullion dealing subsidiary, also operates in the U.S.

# French Budget talks

BY ROBERT MAUTHNER IN PARIS

bly yesterday met for an emergency session in an attempt to unravel the tangle caused by the Constitutional Council decision that the Parliamentary procedure used for adopting the 1980 budget was illegal.
This has left the country

without a Budget for next year and the Government does not have the right to raise taxes. To overcome this, M. Raymond Barre, the Prime Minister, has been authorised by the Cabinet to table an interim Bill permitting the Government to collect taxes until the Budget is adopted.

The Cabinet also acreed yes terday that the new finance Bill would be tabled virtually unchanged in the two houses of Parliament but that care would be taken to respect the correct procedure. M. Barre has again been authorised to make the Budget a question of confidence. if he finds that he cannot muster the required Parliamentary majority for the finance Bill

The crisis is not expected to by Parliament of a censure can be reached,

THE FRENCH National Assem- motion. But it is symptomatic of deep divisions in the Government camp. The Leader of the Gaullist Parliamentary Group, M. Claude Labbe, has said the Gaullists

will support the Government's interim Bill authorising it to raise taxes from January 1 until the Budget is adopted. The new Budget Bill will not be debated until January 7, thus giving M. Barre some time to try to work out a compromise with the Gaullists. The immediate cause of all

the trouble was the constitu-tional watchdog body's ruling on Christmas Eve that the Government should have ensured that the revenue chapter of the Budget was approved by Parliament before a vote was taken on the spending proposals, The reason that this normal

procedure was not followed was that the Gaullists refused to support the first chapter of the Finance Bill, because the Government had declined to accept their amendment calling for a cut of FFr 2bn (£220m) in the administration's running costs. M. Barre subsequently pushed the Budget through Parliament on a confidence vote, a proceContinued from Page 1

# Kabul

The U.S., the official said, was continuing to impress on Moscow its dissatisfaction with events in Afghanistan. Yesterday Mr. Thomas J. Watson, the U.S. ambassadar to the Soviet Union, met Mr. Mal Tsev, the Soviet Deputy Foreign Minister,

There are countless theories inside the administration as to why the Soviet Union is becoming more deeply embroiled in Afghanistan. The safest and most obvious conclusion is that President Amin's regime has found it impossible to subdue the opposition and has been obliged to accept Soviet intervention directly.

ment's information was that fighting had broken out in several parts of Kabul, including near the radio station and the Durulaman Palace and that Soviet military personnel "in groupings" had been seen moving about the city.

As far as could be ascertained, one official added, there had been neither movement of, nor increase in, the size of Russian troops force assembled on the Soviet side of the Afhgan border. This is estimated at up to 50,000 troops. However, "hundreds" of Soviet troops were reportedly bivouacked aroun othe Kabul International Airport.

to re-emphasise U.S. views.

WORLDWIDE

# THE LEX COLUMN

In good time for Hogmanay, Hiram Walker has delivered its formal offer for Highland Distilleries. The document comes just as some of the frothiness is disappearing from Highland's share price, which shot up to over 150p at one stage but new stands at 143p. stage but now stands at 143p.
There is still clear daylight
between this and the 130p a
share cash value of the bid; but with talk of a counterbidder tending to fade a little, the Highland defence will need to be carefully mounted.

Total output, as measured by At this stage, Hiram Walker is concentrating on the fact real gross domestic product, is projected on average to decline by 1.4 per cent in 1980 comthat its £80m bid compares with Highland's book net worth pared with this year. This con-trasts with a total drop of more of just £33m. Obviously, High-land's stocks of whisky; and its distilleries are worth signifithan 21 per cent between 1973 and 1975. Moreover, those forecasters who look beyond the cantly more at replacement cost, but any revaluation will have to be large indeed to bridge the end of next year expect that there will be an upturn in 1981.

gap.
This leaves out, however, the question of the value of High-The difference compared with the mid-1970s can be largely land's 35.4 per cent stake in the private company Robertson and Baxter, which shares a explained by the build-up of number of common directors North Sea oil production; the UK is expected to be selfbut is not treated in the accounts as an associated comsufficient in oil some time next pany because Highland "is not in a position to exercise significant influence over its policies." ally expected to continue to grow in real terms, though by a And it leaves out the goodwill in the Famous Grouse name. much smaller percentage than which is largely what all the in recent years. This compares fuss is about.

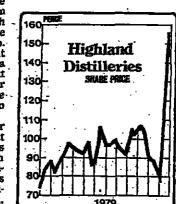
One snag here for Highland is that through a complex arrangement with R and B it only owns a half share in Famous Grouse. The defending Board's problem is therefore to bring out the hidden value which is at present locked up in the R and B link. The intriguing question is whether Highland and R and B will be worried enough to consider some sort of restructuring.

### World Index 1

When professional investors venture forth, the statisticians cannot be far behind. For performance demands measure-Adult unemployment is exment, and without an appropected to rise steadily—from just under 1.3m at present to 1.65m by the end of 1980 priate index the fund manager is liable to flounder without proper orientation. The aboliaccording to the average estition of exchange controls this nected to be a modest slowdown in the inflation rate, which will indices, as such, fill the gap. It is not surprising that there have been suggestions by some

# Gingering up Highland

Index fell 2.8 to 414.7



City bodies that there should be an addition to the FT's range of indices — in the shape

of a world equities index.

In the past, major sources of international money have been Germany and Switzerland, and since 1968 a Geneva-based company, Capital International, has index unaffected, although disproduced a series of worldwide indices to cater for the market. The company has close to 1,000 subscribers for the service.

The UK now represents a substantial source pool for inter-national portfolio investment. but more important, from the point of view of City investment managers, has been the evidence of growing interest by some American pension funds in investment outside the U.S. Their interest has been fanned by the relatively poor performance of U.S. stocks over recent years, especially when the decline of the dollar is taken into account. For the City to attract management of these funds on a world-wide basis, a measure of performance is

There are two ways of constructing a world index. The first is to choose the countries with stock markets of sufficient size and accessibility, weight the relevant existing indices and combine them. The alternative is to construct a new index year has posed a new challenge from the share prices of a in this respect, now that the UK sufficient number of leading institutions have freedom to companies worldwide—probably there are argumental industrial invest in equity markets around between 1,000 and 2,000. The ing international industrial inconsistencies between the sectors more frequently, since round the familiar UK stock market world make the second option indices are no longer suitable preferable. Many of the older measuring rods to assess per- indices are unweighted and be reproduced in the FT on the formance. Nor do overseas geometric, making them ex-following morning's breakfast cessively sensitive to individual tables, given the New York price movements, while in some closing times, is more problemcountries there is no single atical

index which is nationally

accepted.
A freshly constructed index would quote prices in a single currency—probably U.S. dollars. The index would therefore measure currency as well as stock price changes. Thus the fall in value of the dollar has contributed to a rapid decline in the U.S. weighting in the Capital International world index. Whereas in 1968 the U.S. represented 75 per cent of the overall market value, the weighting has now fallen to 49 per cent. Europe accounts for 26 per cent and Japan for 16

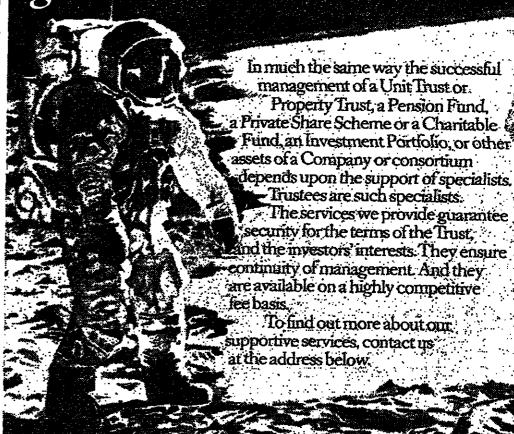
per cent.
In an index of this type, the weightings of the different international markets within the total change automatically. However, there must be scope for adjustments as new stock markets — Mexico and the Philippines, for example-gain prominence. Also, acquisitions, bankruptcies and rapidly-growing companies would distort the balance of the different industrial sectors, necessitating changes. The standard formula for chainlinking leaves the price continuity in yields is inevit-

In fact, the most difficult problems are likely to concern yields and earnings ratios, due to the differences in international accounting practice. The distortion to profits com-parison caused by differing depreciation methods is a major headache.

There would also be a demand for the world index minus one or other of the national constituents. The City merchant banks looking for American funds would like to be able to assess their performance against an index which did not include the U.S., for example, since their investment remit would hardly encompass the U.S. itself. While British institutions might be attracted to an index minus the UK for similar reasons, in practical terms the weighting of the UK, as well as the other single European countries, is too small to make a significant impact. How often should the index be produced? Once a week

would probably be enough for the world index itself, although day by day investment tool. Whether a world index could

# In 1969 two men walked the surface of the moon alone. It took thousands more to get them there.



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